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NAVY MOVES TOWARD AREA CLOSE TO BEAGLE CHANNEL REGION

PA081406Y Paris AFP in Spanish 1249 GMT 8 Jan 78 PA

[Text] Mar del Plata, Argentina, 8 Jan (AFP)--It was officially announced here today that Argentine naval units this morning were navigating south of the country to take up strategic positions. The ships, which include at least two submarines and an aircraftcarrier, have taken up positions in the southernmost region of the country under Argentine jurisdiction near the broad sea strip presently under jurisdictional dispute between Argentina and Chile.

Although some news sources have tried to establish a link between this maneuver and a worsening of the dispute between the two countries as a result of Agrentina's adoption of a firmer stand in the past few hours, no responsible source here has confirmed this possibility.

Experts recalled today that before the end of the month the government of President Jorge Videla will reject the arbitral decision of the British Crown that favored Chile over Agrentina in the matter of jurisdiction over the Beagle Channel area.

According to military sources, the day after tomorrow Navy Chief Adm Emilio Massera will board the aircraft carrier Independencia, the Argentine Navy's flagship, when it is "at sea." In military jargon, this means that Massera, a member of the government junta that seized power 2 years ago, will participate directly in the inspection of the bases in the border regions for the purpose of [word indistinct] sovereignty, according to the experts. According to the official announcement made last night, the other ships of the fleet that started on its way south in the past few hours left from the Puerto Belgrano Naval Base, located 690 km south of the Argentine capital.

In the communique given to the news media by the naval authorities, it is stated that the maneuver is for "the purpose of carrying out operations in waters in the Argentine South." The communique contains no further explanation.

MASSERA DISCUSSES CHANGES IN LEADERSHIP SYSTEM

PY061946Y Buenos Aires TELAM in Spanish 1350 GMT 6 Jan 78 PY

[Text] Buenos Aires, 6 Jan--Adm Emilio Eduardo Massera, commander in chief of the navy, has shown surprise over the speculations which are being made about the new power structure which the highest government officials are discussing. He said that there can be no doubts about that matter, since it has been explained on several occasions by the members of the military junta.

He said: We are now experiencing an exceptional situation, because such was the decision of the armed forces before 26 March, 1976. But the doctrine is clear. The junta establishes national policies and watches over their accomplishment to reach the goals of the process. The Executive Branch is the organ carrying out house policies. They are two well-defined fields of action, and in order to contribute to their clearness it has been decided that the head of the Executive Branch should be somebody who is not a member of the junta. Before the end of the year (he was referring to 1977) a new appraisal will be made of the national situation, and we will decide whether the conditions exist for a change of today's exceptional structure.

The analysis in which the magazine CONFIRMADO includes the statements of the navy commander stresses that the question was brought up with regard to the effectiveness of the military junta, not because of disagreement within it. It was finally decided to postpone the discussion of the matter until March this year.

It is added: This time for reappraisal is due partly to some differences of opinion regarding the prerequisites which should be fulfilled before the setting up of the new structure, and regarding the date on which it will become effective. The main reason why the discussion has not been finished, however, could be found in other problems thought to be more important, such as the Beagle Channel.

SLOWUP IN STEEL PLANT CONSTRUCTION DENIED

FY061512Y Buenos Aires Domestic Service in Spanish 1030 GMT 6 Jan 78 FY

[Text] The Defense Ministry has denied that the SINDINSA [Integrated Iron and Steel Works Company--Siderurgia Integrada S.A] iron and steel plant project has been neglected as a result of a joint decision by the defense and planning ministries, as the newspapers have reported. The project has not been abandoned by the state. It was said that the National Executive Branch still considers the decree creating SINDINSA to be valid. An official communique states the following:

1. The plan for a large iron and steel plant designed to meet growing demands is the solution to the inevitable fact that domestic steel consumption will increase in the future. If the state did not anticipate this situation by several years, its lack of responsibility would force the country to spend enormous amounts of foreign currency to import steel products, with obvious consequences to the balance of payments.

2. The project in question has not been abandoned by the state. The National Executive Branch maintains the validity of the decrees which created SINDINSA.

3. The restriction of funds for this project is in accordance with the federal government's position--that is, the government believes that large projects needed by the country should be built mainly with private contributions, national and foreign. The state will intervene only when there is no interest on the part of private capital.

4. The agreements necessary to carry out this type of important project demand lengthy and difficult negotiation. Right now we are negotiating with important foreign private firms which are interested in participating.

5. SINDINSA will be the body within which these agreements will be completed.

6. The iron and steel deficits for the next few years make it necessary for the state to properly plan the completion of large iron and steel plants. The national iron and steel works plan is now underway. It takes into consideration the needs of the sector and proposes the measures necessary to cover the expected deficit.

The Defense Ministry communique states that this will be done without neglecting the needs of the intervening years, through the development and integration of plants which national and private industry now has in the country.

WORLD TIN COUNCIL ACCUSED OF U.S. DOMINATION

PY071459Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 6 Jan 78 PY

[Text] The economic panel of the International Tin Council [ITC] has become a political organization dominated by U.S. influence. This was reported at a (CIEBOL) [Bolivian Tin Council] meeting by the Bolivian delegate who attended the panel meeting, held in London between 12 and 20 December. Rolando Jordan stated that the panel could only reach a partial agreement during the meeting, an agreement which favored the consumer countries more than the producers. He explained that the economic panel, created as a technical organization of the ITC, had become a political organization, the same as the ITC itself, dominated by U.S. influence.

Regarding the increase of the price scale he said that the consumer countries, led by the United States and FRG, had put up a tenacious opposition. The (CIEBOL) therefore submitted for discussion by the cabinet an order establishing the objectives which will permit Bolivia to maintain an inflexible position in defense of our main export product. The order will be kept secret, allegedly in order not to cause difficulties at the meeting in London.

The Bolivian delegation which will attend the fifth ordinary ITC meeting will be headed by General Rogelio Miranda, Bolivian ambassador in London, and the other delegates will be Carlos Iturralde, Bolivian ambassador in Kuala Lumpur, and (Humberto Saguier), permanent representative for the Mining Corporation of Bolivia [COMIBOL].

MEXICO REPORTS BOLIVIAN DEMANDS FOR POLITICAL AMNESTY

FL062201Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2113 GMT 6 Jan 78 FL

[Text] Mexico City, 6 Jan (ANSA-INFORMEX)--The wife of former Bolivian President Gen Juan Jose Torres, Mrs Emma Obleas de Torres, has sent a telegram to UN Secretary General Kurt Waldheim. The text of the message follows: "Urgent to send a delegation to Bolivia, object to prove dramatic conditions, hunger strike, demanding unconditional amnesty."

The message was issued because of the hunger strike carried out by more than 117 persons in La Paz, Cochabamba and Oruro, demanding from President Hugo Banzer Suarez the return of all Bolivian political exiles.

In another case, Latin American Solidarity Committee President Pablo Gonzalez Casanova, in a cable to President Banzer, also demanded a general amnesty in Bolivia and the freedom of all those detained for political and trade union reasons.

BANZER HINTS ELECTIONS MIGHT NOT BE HELD

PY070300Y La Paz Radio Cruz del Sur Network in Spanish 0200 GMT 7 Jan 78 PY

[From the "Facetas" Program]

[Excerpt] The events which took place today [the Pereda Asbun rally] will be interpreted in a variety of ways. The government will view them as the most eloquent demonstration that it has a broad support. The truth is that President Banzer has already made this interpretation and took advantage of the opportunity to issue a severe warning: The elections will not take place if the people ask the government to stop them.

This statement will be interpreted differently. Some will say that it is a clear warning, although the president had added immediately that the government is ready to fulfill the promise it made to the people on 9 November. President Banzer said this during a press conference held at the end of the rally which took place on Murillo Square today.

PEREDA ASBUN ADDRESSES LA PAZ LABOR RALLY

PY071542Y La Paz Radio La Cruz del Sur Network in Spanish 0200 GMT 7 Jan 78 PY

[From the "Facetas" Program]

[Summary] Let us now discuss the rally prepared by labor coordinators supporting the government. The rally began at noon in Murillo Park with groups of people carrying large signs. Many people stayed to listen to the speeches, but others left the park turning in cards which were apparently given to them earlier to prove their attendance at the rally. The cards were stamped by municipal police Precinct No. 1. Many speakers spoke to the crowd, stating their support for the government and criticizing groups which are trying to create chaos and, in particular, the hunger strike being carried out by people demanding a general amnesty. By the time the main speaker, Gen Juan Pereda Asbun, was to address the crowd it began to rain, and General Pereda had to make a short speech.

[Pereda--Begin recording] "The armed forces also believe that is is time for Bolivians to exercise their rights and obligations. Therefore there should be no misunderstanding about the generous action of the armed forces, the generous action of President Banzer's withdrawal. We want constitutionalization be more than just big rallies like those of the Peronists. Constitutionality should be something more, a step toward more responsible political development. It must be a step toward a new Bolivia, and this is why extremists are afraid of elections, since (?there will be no room) for demagogy." [end recording]

Banzer Speaks

PY070047Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 6 Jan 78 PY

[Text] The rally in support of President Banzer and to proclaim the presidential candidacy of Gen Pereda Asbun was held at Murillo Square at 1500 today. Labor representatives, General Pereda Asbun and President Banzer himself spoke at the rally. The latter thanked the people for the support given to his administration and indicated that he will continue struggling to preserve the peace and traquillity of the country, in order to carry on the national development within a framework of order and work.

[Banzer--begin recording] My dear brethren, citizens of La Paz...my dear brother Bolivians...even though I have much to say about my gratitude to all my people, I will say in a few words that the achievements, which were referred to simply but eloquently by the labor representatives who have spoken before me, are the result of the confidence which the people have bestowed on the armed forces government. These achievements are the result of the understanding of the people who have, many a time, patiently waited for them to come true. They are also the result of the organized work of the central government. They are the result of the ability to choose the right persons to interpret the feelings and desires of the peoples. In view of this I want to transfer to you the statements of gratitude I have heard today. I want to tell you all now: Thank you citizens of La Paz...Thank you, my dear brethren. [end recording]

Further Details

PY071816Y Sucre Radio La Plata in Spanish 1630 GMT 7 Jan 78 PY

[Text] A rally held yesterday afternoon in the Plaza Murillo proclaimed General Juan Pereda Asbun as presidential candidate and expressed thanks to Gen Hugo Banzer for his work in the government. General Pereda stated in a speech that the massive presence of the people of La Paz in Plaza Murillo is the best response to the hunger strikers, a "no" to demagogs and extremists. He did not state whether he accepted or rejected his being named a candidate, but he expressed his thanks for the support which had been shown. He said that the present nationalist pattern is an established doctrine and a process of action which has not become stalled. He said: We must maintain our dynamism, we must continue our work for the benefit of the peasants and their integration. We must gradually change our economic infrastructure, so that the distribution of wealth will become more just and will reach the majority.

When President Banzer spoke, there was a heavy rain. After the rally the president talked briefly with newsmen. He mentioned the possibility of an interruption of the process which is to lead to general elections in July. If that is the will of the people, we must agree to the request of the people that there should be no elections. If the subversive movements continue, the people will probably make that request, President Banzer said. He added: We wish tranquillity for this country. If the country has 7.4 million inhabitants, we will insure the tranquillity of those 7.4 million inhabitants at any cost, any sacrifice, even though it may be a question of harming the image of the Bolivians or of blocking the road of the democratization process which we are determined to carry forward. He asserted: We will do what the people want us to do.

When asked his opinion about the many hunger strikes in La Paz and cities in the interior, the president said that they were part of a plan which he had not mentioned, because of the rain, in the speech he had given from the Government Palace balcony. He stated that it was a real extremist plot and invited the opposition to hold a rally like the one just finished in the Plaza Murillo. After asserting that the hunger strikes are a subversive political act, he said that if the ladies on hunger strike in the La Paz Archbishopric insist on furthering the subversive plan, the government will be ready, according to the will of the people. A newsman asked if there are any plans to broaden the amnesty decreed toward the end of December. General Banzer said: Such a measure must be gradual, but I wish to let you know that just as there may be more people included in the amnesty, the list of those prohibited from returning to the country] may become much longer if the plot continues.

SILES SALINAS HELD RESPONSIBLE FOR HUNGER STRIKES

PY071828Y Sucre Radio La Plata in Spanish 1630 GMT 7 Jan 78 PY

[Text] The interior minister has stated that former president Luis Adolfo Siles Salinas is responsible for the hunger strikes. The latter immediately rejected the government accusation. Several of the people on hunger strike have received attention from several doctors because of gradually failing health. The government seems to have begun a campaign with the intention of discrediting the movement. An official statement asserts that the fast is a fraud, since those who allegedly maintain it are said to receive food. The official accusations seem to be leveled against two Jesuit priests who have joined the hunger strike. One of them is the cinema commentator (Luis Espinal) of Spanish nationality. The Catholic Church is mediating in the conflict, but each side accuses the other of maintaining a stubborn position.

NEWSPAPER COMMENT ON CARTER TRIP, ECONOMIC POLICIES

O GLOBO on Trip

PY062015Y Rio de Janeiro O GLOBO in Portuguese 30 Dec 77 p 30 PY

[By Edgardo Costa Reis]

[Excerpts] Washington--The tour of six countries of Europe, Asia, and the Middle East initiated yesterday by President Jimmy Carter marks a new course in the foreign policy followed by his administration, which is trying to stop being exclusively concerned with the Soviet Union, to overcome its obsession with its relations with the superpowers, and to place greater emphasis on its relations with the emerging nations of the Third World.

This new orientation of U.S. foreign policy, which has been labeled the "Carter Doctrine," is reflected in the itinerary of Carter's 9-day tour which includes Poland, Iran, India, Saudi Arabia, France and Belgium. This tour possibly will be complemented by another which will take place from 24 March to 3 April, a second stage which will include Venezuela, Brazil and Nigeria.

For the Carter administration, this tour is another step designed to bring the United States closer to the emerging powers of the Third World, and to become more directly aware of the changes which have taken place in the world system, especially after 10 years in which its relations with the superpowers have prevailed in its diplomacy.

Obviously, such a short trip will have a rather symbolic meaning in this new foreign policy and will not yield immediate results. While the U.S. foreign policy emphasizes some aspects which are considered positive, it reveals some contradictions as to the order or priority to be followed in the new orientation of the Carter administration.

In this context, for instance, it would be difficult to determine what would be more important for the United States in relation to Brazil: either to use "harsh words" on human rights or "soft words" aimed at persuading Brazil to abandon its nuclear projects.

Yet, the short- and long-term objectives of Carter's trip can be summarized as follows:

Human rights: To celebrate the restoration of a democratic regime in India following the frictions stemming from the pro-Soviet inclinations of former prime minister Indira Gandhi.

Petroleum: Iran and Saudi Arabia--and Venezuela on the second stage of his tour--are of high priority in Carter's efforts to obtain cooperation designed to maintain international price stability and to achieve its domestic objective of reducing both its imports, which amounted to $45 billion this year, and foreign dependence.

Middle East: Iran, Saudi Arabia, and Jordan--through the talks he will hold with King Husayn in Teheran--will be important in his efforts to support the peace talks between Egypt and Israel.

Nuclear energy: To persuade Iran and India, and later Brazil, to give up their nuclear projects.

Carter will also visit NATO headquarters during this trip.

O ESTADO DE SAO PAULO on Trip

FY061738Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Dec 77 p 5 FY

[By O ESTADO Correspondent Ruy P. Barbosa]

[Excerpts] Washington--President Jimmy Carter finally began his trip abroad yesterday, a trip in which he expects to put substance into the policy formulated by his national security advisor, Zbigniew Brzezinski, to change the main target of U.S. foreign policy from its relations with the Soviet Union, giving emphasis to its relations with the so-called Third World.

Three countries which were originally included in his itinerary--Venezuela, Brazil and Nigeria--will only be visited in late March and early April, and it is likely that other capitals will by then be included. In the six countries which Carter will visit at this time, he will try in a general manner to convince their leaders to adopt more active positions on the international scene, with the purpose of reducing the interference of the superpowers in the orientation of world politics. Carter hopes to be able to encourage the free action of national interests so as to strengthen the Western democracies in the course of time.

Carter believes that the democratic system is far superior, because he is convinced that all men long for government systems allowing for a maximum of personal liberties and respect for the individual. But since he is aware of the many shades of the political spectrum, Carter makes it clear that he does not intend to export democracy or to suggest regimes or systems, beyond taking a stand for the basic ideals of Western democracy which he believes satisfy the longing for freedom of all mankind. Nothing indicates that he expects to obtain far-reaching results over the medium term, but if that idea takes hold and the U.S. democratic ideals are finally adopted by all nations, the United States will have satisfied a longstanding wish which has underlaid that country's foreign policy ever since it unwittingly became the Western world's leader--that of converting the world to democracy; but this time no longer by the imposition of a Pax Romana, but by a process of bringing people around to an ideological conviction.

O ESTADO on Mideast

FY062308Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Jan 78 p 3 FY

[From the "Notes and Information" page: "Carter Cannot Avoid Taking a Stand"]

[Excerpts] At this point of the events, stemming from the steadily increasing development of the "peace logic" which began to be implemented on 19 November, Carter must take a clear stand overcoming his contradictions, hesitations and ambiguities. Many a time in the past the U.S. President had defended the thesis of a Palestinian state as a must in any final peace agreement. However, in an interview recorded shortly before he left [on his trip], he had stated that he supported Israel's proposal in which the West Bank would have merely administrative autonomy, and publicly declared that he did not agree with the creation of an independent Palestine nation. This means, therefore, that Carter theoretically supports As-Sadat's peace project, but does not agree with its contents. It is therefore easy to understand why the Egyptians, their president and their parliament--embarrassed if not outraged--have decided to challenge Carter to remain faithful to his human rights campaign by supporting the Palestinian people's right to self determination.

As-Sadat had stated enthusiastically: "I am happy to announce that our opinions are similar and that we agree on the steps which have to be taken to keep up the development of the peace process."

This was As-Sadat's interpretation of events. Begin, who was informed by Carter himself when he called Begin by telephone from the presidential plane, expressed his satisfaction because he believed that neither the U.S. nor the Egyptian president had discussed an independent Palestinian nation or the PLO. While the PLO's spokesman ridiculed the statement of the U.S. leader, because in his belief Carter had not clarified whether the Palestinians would have their legitimate rights fulfilled on the earth or the moon, official Israeli sources expressed a "certain concern" over Carter's words and wondered whose job it would be to establish what the legitimate rights of the Palestinians are. These negative reactions to Carter's remarks are proof that the U.S. President has not managed to overcome his ambiguities once and for all.

JORNAL on Economic Policies

PY071412Y Rio de Janiero JORNAL DO BRASIL in Portuguese 6 Jan 78 p 10 PY

[Editorial: "Barriers To Be Broken Down"]

[Text] On the same day that President Jimmy Carter announced his "new program for the democracies" in the Congress Palace in Paris, the U.S. Government changed its position and decided to intervene in the West European and Japanese exchange markets.

To this end the Treasury Department and the Federal Reserve Board signed an agreement with the Bank of Federal Germany, stipulating massive intervention by the central banks of countries which are interested in "controlling speculation and restoring monetary order."

The continuous devaluation of the dollar has little effect on disorganizing the relationship among all the other currencies of the industrialized countries. But apart from stimulating harmful speculation, the devaluation of the dollar has the serious effect of making European and Japanese exports more expensive for goods going to the U.S. purchasing market. That is, although it does not cause much harm to countries with a positive trade balance such as Germany itself and Japan, it is a considerable handicap for the foreign sales of such countries as France and Italy, for example.

It is obvious that the U.S. Government action is in close agreement with the principles announced by Carter in Paris: "To meet the economic challenge, the United States is able to and interested in joining its allies in order to demonstrate that the Western system can adapt itself to new demands.

"The basis of this effort is mutual cooperation which should admit the individuality of each nation, recognizing that economic prosperity will either increase or deteriorate throughout the world."

It is obvious that the Western economies have now overcome the fearsome prospect of a dismal and generalized recession, caused by the crisis triggered in 1973 through the quadrupling of international petroleum prices. What is now being experienced is a slowing down caused by the readaptation of the economies to a new age of more expensive energy originating from petroleum.

Apart from this, there are the major obstacles caused by the most serious result of the petroleum price increase--the widespread protectionist feeling which transforms each finance minister in the Western countries into a grim guardian of his import quotas. And it is in this field that the serious responsibilities of the U.S. Government, recognized by Carter in Paris, become most apparent: its industrialized partner countries will follow the economic behavior of the United States in one way or the other, and will become more or less protectionist, according to the stand taken by the United States.

The future of the Western economies--or the future of the strongest capitalist economies, which is the same thing--will depend on their understanding that new economies, stronger and healthier despite the trauma initiated in 1973, cannot be built up unless there is a gradual breaking down of the protectionist barriers which have been built up.

The Carter administration has often shown that it is fully aware of its responsibilities, both when it takes clear stands in defense of free trade and now, when it has decided to reduce the instability caused by the dollar devaluations.

This is an example which should be followed.

TWO GENERALS DIFFER ON SUPPORT FOR FIGUEIREDO

PY071203Y Paris AFP in Spanish 2210 GMT 6 Jan 78 PY

[Excerpts] Rio de Janeiro, 6 Jan--Gen Gustavo Moraes Rego, who took up his post today as chief of President Geisel's Military Household, stated that if there are "possible disagreements and discords" within the Brazilian Army, "the basic principle of unity remains."

Moraes said he believes that Gen Joao Baptista Figueiredo, appointed candidate to the presidency of the republic, will "continue the work of political opening begun by General Geisel."

The new chief of the Military Household then added that this was "the dominating feeling among us. I will not say that it is unanimous, but most of the military men are in favor of calming emotions and returning to democratic normality. And General Figueiredo, whom I know well, is one of those who follow President Ernesto Geisel's line."

This soothing statement was made at a time when the rumor is increasing of serious dissatisfaction in the army.

According to reports published by FOLHA DE SAO PAULO, Gen Hugo Abreu, the former chief of the Military Household who resigned on Wednesday to show his disagreement with Figueiredo's candidacy, gave the president a rather disturbing report on the attitude of the army with regard to the succession problem.

This report, called "a veritable x-ray of military opinion," is said to reveal that the army was not thoroughly consulted regarding President Geisel's choice, and is said to call attention to the risks of appointing a man who does not have unanimous support.

According to General Abreu, the next president "will have the difficult task of institutionalizing the revolution, and throughout his time in office he will need a solid military base to be able to guarantee the execution of the basic political reforms of that process."

Based on his information, General Abreu doubts that the candidate Figueiredo can be sure of that base. Apart from personal rivalries, the two main complaints of the army are said to be the very personal nature of President Geisel's decision and the harsh removal of Gen Sylvio Frota, former army minister and General Figueiredo's only serious rival.

2d Army Commander's Reaction

PY061400Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 6 Jan 78 PY

[Text] Commenting on the presidential succession, Gen Dilermando Gomes Monteiro, commander of the 2d Army, [stationed in Sao Paulo] said:

[Begin recording] Regarding that question, in the first place I would like to say it is a problem of a political nature which I cannot comment on or discuss. This is a problem concerning the army minister or the president.

Now regarding the decision made by the president, we can say this [words indistinct], that we absolutely respect the president's decision because we believe that now is the time for unity, for participation, for cooperation. We all need to be united around our chief for the good of the country, since the watchword is to respect and carry out the orders of the president and the army minister.

[Question] What about your relations with General Figueiredo?

[Answer] My relation with General Figueiredo is one of an army comrade, because I never served with him, never had close relations with him. [Words indistinct] But I respect, admire and appreciate General Figueiredo, and every time I go to see the president, I meet him in Brasilia. Our relations are absolutely cordial.

[Question] With the installation of Figueiredo, will the country move toward democratic normality?

[Answer] The answer to this question was partially given in reply to your first question. This is a political problem, which I will not comment on, and by 1979 I will be retired. In accordance with the law, I am retiring on 25 November, 1978. [end recording]

Finally, General Gomes Monteiro said that the atmosphere is tranquil in Sao Paulo.

[Begin recording] The atmosphere is tranquil in the states of Sao Paulo and Mato Grosso, the two Mato Grossos. Everything is okay. You can all keep on working calmly, knowing that the atmosphere is absolutely tranquil. [end recording]

FIGUEIREDO TO TALK WITH ARENA LEADERS

PY061243Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 6 Jan 78 PY

[Text] Gen Joao Baptista de Figueiredo will meet with the members of the ARENA National Executive Committee today at 1600. General Figueiredo, chief of the National Information Service, will address the ARENA leadership for the first time to talk about his future administration.

MAGALHAES PINTO WILL CONTINUE CANDIDACY

PY061422Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 6 Jan 77 PY

[Text] During conversations with reporters at his office in the Senate, Senator Magalhaes Pinto said that he continues to be a candidate for president even with the appointment of General Figueiredo by President Geisel. Magalhaes said that he will travel all over the country seeking the support of the popular classes. [recorded passage indistinct]

Magalhaes Pinto said that he supports the elimination of the two-party system and agrees with General Figueiredo's intention of creating four or five political parties. [recorded passage indistinct]

Magalhaes Pinto believes that the appointment of Aureliano Chaves as vice president is not an honor for Minas Gerais, because Minas Gerais wanted the presidency. He states that he does not believe his adversary to be stronger, so he will leave it up to the electoral college to pick the winner. [recorded passage indistinct]

MORAES REGO SWORN IN AS MILITARY HOUSEHOLD CHIEF

PY070053Y Brasilia Domestic Service in Portuguese 2200 GMT 6 Jan 78 PY

[Text] At a ceremony held this morning at Planalto Palace, General Geisel installed Gen Gustavo Moraes Rego as the new chief of the Presidential Military Household.

Present at the ceremony were all ministers except the finance minister, who is absent from Brasilia. President Geisel expressed regret for the withdrawal of Gen Hugo Abreu, who for 4 years served as head of the Presidential Military Household.

He then referred to Gen Gustavo Moraes Rego as a dear friend during several periods of his life. Geisel said that the general was fit for the presidency and that he will fulfill his function with the necessary efficiency.

On thanking the president, the new chief of the Military Household noted that it was the fourth time he has been called to serve under the orders of General Geisel.

In conclusion he asked God to enlighten him and help him to be as exemplary as President Geisel was on having the same post during Castello Branco's presidency.

Gen Hugo Abreu turned over his position to Gen Gustavo Moraes Rego and introduced all the officials who worked under his orders.

BRIEFS

PETROBRAS REDOUBLES EFFORTS--PETROBRAS will redouble its efforts to find oil off the coast of Amapa. Two submarine platforms are drilling in that area and two more platforms will soon be brought in. PETROBRAS technicians know that there is oil with very good pressure, but until now they could not actually find oil there. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 5 Jan 78 PY]

TEXT OF FOREIGN MINISTRY'S LETTER TO WALDHEIM

PY070110Y Santiago Chile Domestic Service in Spanish 1630 GMT 6 Jan 78 PY

[Text of undated letter to UN Secretary General Kurt Waldheim signed by Enrique Valdez, Chilean Foreign Ministry undersecretary]

[Text] As must already be known to the CIA, Chile has reaffirmed, through the free, voluntary and categorical will of its people, its most energetic rejection of both the procedure used by the United Nations through its Human Rights Commission in order to formulate a disgraceful, unjust and discriminatory judgment against it and of the scope of the subject under debate.

In the first place, it is necessary to recall today that Chile has never denied its full and effective collaboration to the United Nations regarding the promotion and complete protection of human rights.

Consistent with this clear position and despite the fact that our request was not granted [words indistinct] all the countries accusing us be investigated in the same manner, in 1975 we accepted the creation of a work group, under the control of the Human Rights Commission, which was charged with investigating the current situation of basic rights in Chile.

It is true that the acceptance of this work group was made with the understanding that, as Chile had repeatedly requested, the procedures to be followed would be fully determined in accordance with the regulations established by the Human Rights Commission, which nominated the work group, governing the subject.

At the same time there existed a very important precedent concerning the subject: The procedure written into Resolution No 1,503 of the ECOSOC, which establishes the basic regulations which rule the channels of communication relating to human rights violations and basic freedom.

Nevertheless, in practice it has not [words indistinct] ad-hoc work group, but also with the procedure that is applied [words indistinct] especially and exceptionally, having been drafted by the same group without the agreement of Chile's Government and implemented with total and absolute arbitrariness. This was allowed the ad-hoc group to interfere, without basis, authorization or any type of agreement, in every level of our country's activities, whether related to human rights or not. It has also allowed this group to repeatedly violate its mandate by not limiting itself, in its reports, to its precise functions, thus exceeding its responsibilities and with it the minimum rules of peaceful coexistence between nations.

Such negative behavior, the unavoidable consequence of a total lack of due process, has thus permitted the United Nations--while dealing with a situation affecting one of its member nations--to violate, in absolute terms, the universal principles of self-determination, the legal equality of nations and the noninterference in internal affairs.

Since the beginning of this situation, the Chilean Government has made every effort to correct it by maintaining a permanent contact with the work group and despite all our proposals to obtain an essential minimum of procedural guarantees, they were rejected.

Despite this fact and despite the seriousness of events, Chile proposed the visit of two members of the group to be chosen by common agreement and with a minimum of rules which would [words indistinct] reciprocally accepted. This proposal was rejected.

Under these circumstances we have finally come to the conclusion that, after 3 years of negotiations and in view of the results which have been obtained, it is absolutely useless to continue with the situation in the way it is being carried out by the work group because this will only contribute to the deterioration of the defects which have been outlined and it would allow this group to again seek justifications in its deceitfulness and [words indistinct].

This is what the Chilean people reject and repudiate with their civic opinion through a national consultation, the result of which demonstrates that the immense majority of the citizens of our fatherland are not disposed to accept any more of the harassment they have already suffered or the arbitrariners of international [word indistinct] which are so openly discriminatory; and the citizens fully support their government, reaffirming its legitimacy, and they acknowledge the absolute responsibility which it has in the management of their internal affairs when related [words indistinct] the Chilean Government, from now on, from the UN Human Rights Commission, an attitude strictly based on the right to agreement [derecho de acuerdo] with the respect that is owed to it and that our nation energetically claims as a sovereign and free country.

Yours faithfully, Your Excellency.

Signed, Enrique Valdez, Foreign Ministry undersecretary.

UN Human Rights Commission Link Suspended

PY 061500Y Santiago Chile Radio Mineria Network in Spanish 0930 GMT 6 Jan 78 PY

[Text] The Chilean Foreign Ministry has officially announced that all contact with the UN Human Rights Commission headed by the Pakistani Ali Allana has been suspended until procedures that will truly regulate its activities are created. Foreign Minister Patricio Carvajal indicated that Chile cannot accept the demand that it be the only country in the world to receive an investigating commission without regulations on procedures.

BUSINESS, AGRICULTURAL SECTORS VIEW RESULTS OF VOTE

PY061802Y Santiago Chile Radio Mineria Network in Spanish 0930 GMT 6 Jan 78 PY

[Commentary by (Veronica del Piano)]

[Excerpts] The results of the national referdum called by the president were analyzed by the Chilean business sector through the presidents of the various confederations. To them, the result was in fact an unexpected all-out support for the government. It was clear to the business sector that the government's position, both at the national and international levels, has been strengthened due to the [word indistinct] factor.

Beyond the national level, Chile now has in the Western world real possibilities to defend itself successfully from the foreign threat, which is intended to create instability where the foreign interests want to get in and control the destiny of nations. The business sector pointed out that this problem has already been experienced in Chile, that every Chilean knows what it means, and that this is why the people voted to support the government.

The National Agriculture Society stated that the result of the national consultation was the majority's repudiation of foreign intervention. The society stated that the problems of Chile belong to the Chileans, and the general conclusion was that the best way to solve them is our own way.

The business sector added that the government of the armed forces has sole responsibility for carrying out the normalization and unification of the country. They agree that unfortunately the consultation will not give Chileans the international prestige it should have, due mainly to the monstrous publicity machine set up by Marxism throughout the world. In conclusion, they stated that great changes are taking place in Chile, not only at the institutional level but also at the economic level. These changes are creating an opportunity of which the youth can take advantage.

PINOCHET: ARGENTINE MARXISTS BLOCK BEAGLE PACT

PY061615Y Paris AFP in Spanish 1416 GMT 6 Jan 78 PY

[Text] Santiago, Chile, 6 Jan--Chilean President Augusto Pinochet stated today that "certain Argentine Marxist elements have plotted against the concluding of final agreements regarding the Beagle Channel." The president referred briefly to the Chilean-Argentine border dispute during an improvised press conference with foreign correspondents.

According to Argentine news media, the Argentine military government will reject the British arbiter's decision of last May recognizing the Picton, Nueva and Lennox islands in the Beagle Channel, in the southern region of the continent, as being Chilean.

Foreign Ministry View

PY061640Y Santiago Chile Radio Mineria Network in Spanish 0930 GMT 6 Jan 78 PY

[Excerpts] (Hernan Rios), legal advisor to the Foreign Ministry, has emphasized that there is no legal basis for Argentina to reject the arbitration decision made by Queen Elizabeth II in which Chile was awarded the Picton, Lennox and Nueva islands in the Beagle Channel.

In this regard, it is worth recalling that the Argentine admirals at a special meeting yesterday stated that if the Chilean Government did not accept the Argentine proposals to solve the border conflict they would have to recommend rejection of the decision that favored Chile.

(Rios) recalled Article 13 of the 1902 arbitration treaty and the arbitration treaty signed in 1971 between the two countries. He said that these treaties established that any decision [taken under the treaties] would be legally binding on the two countries, that it could not be appealed and that its enforcement was to be honored by the signatory countries. The legal advisor indicated that the treaties established only two reasons for revising that decision: If it were based on false or forged documents or if it were all or partly the result of an error in judgment which could be proven by proceedings and documents. (Rios) said that these two situations did not occur in the Beagle arbitration decision.

BRIEFS

AMBASSADOR TO URUGUAY--Santiago, Chile, 5 Jan--A Foreign Ministry spokesman has reported that the Uruguayan Government has agreed to the appointment of Gen Gustavo Alvarez Aguila (ret) as the new Chilean ambassador to Uruguay. [Buenos Aires LATIN in Spanish 0258 GMT 6 Jan 78 PY]

EL SIGLO COLUMNIST CRITICIZES CARTER'S TOUR

PA071523Y Bogota EL SIGLO in Spanish 3 Jan 78 p 5 PA

[Rincon del Mundo column: "Poor Poland"]

[Text] Almost by surprise President Jimmy Carter completely cancelled his planned trip to South American countries (why only two?) and shortly after took off for some of the most improbable parts of the world, among which were India and Poland. How can we make sense out of such curious conduct? Experts in U.S. foreign policy say the nation is at present pursuing "the national interest." In view of this we can understand why Carter did not visit America or why the discriminatory trade law has not yet been abrogated, but what does the oppressed Polish nation have to do with the U.S. "national interest?" Or, if we wish to pursue the matter, what does peace in the Middle East have to do with it either? Why would Carter's opinions on one or the other subject accelerate or delay agreements between Jews and Egyptians? It is hard to explain the powerful nation's overestimation of itself. One view is that for some years now the validity of international law has been undermined and the dominion of the powerfully armed has increased. India has the atomic bomb, and Israel, Iran and Brazil soon will have. Surely Carter did not go to Poland to arrogantly present a list of political prisoners as his emissaries do when they come to Latin America.

In Poland, with Carter's acceptance, rights have been fallen because the defender of human rights did not go to defend human rights but for other things. Poor Poland.

PRESIDENT ON BOUNDARY TALKS WITH VENEZUELA

PA072334Y Buenos Aires LATIN in Spanish 1840 GMT 7 Jan 78 PA

[Text] Bogota, 7 Jan (LATIN)--President Alfonso Lopez Michelsen today publicly admitted that the Colombian and Venezuelan governments recently arrived at a "practical" agreement for the delimitation of their maritime and continental shelf boundaries, but that it had been rejected by Venezuelan public opinion. He added that the search for an agreement between the two countries "is a matter that cannot be abandoned."

Speaking to the Caracas Radio Network, Lopez Michelsen said in reference to this matter: "In fact, the matter of marking a boundary with Venezuela is very complex. I can say with modesty that no Colombian has been as concerned with this matter as myself, for the simple reason that I have participated in the discussions as a member of the Foreign Affairs Advisory Committee over the past 6 or 8 years. But there are differences of opinion in the two countries. Although it is true that in practice we have arrived at what could be called an agreement, this agreement has not received support in Venezuela, where it was revealed to political parties and the armed forces," he added.

When asked if he would desist from finding an agreement, the Colombian president said: This is a matter in which one cannot desist. However, the agreement, which was completed after much hard work, was reached at a time when the electoral processes were taking place in both countries. "Although it is true that in Colombia we could have come close to reaching a concensus regarding an agreement, the truth is that this was not the case in Venezuela," he added.

FOREIGN MINISTER ON EFFORTS TO RECLAIM LAND FROM PERU

PA051200Y Paris AFP in Spanish 0036 GMT 5 Jan 78 PA

[Text] Quito, 4 Jan (AFP)--Ecuadorean Foreign Minister Jose Ayala today expressed the hope that the "exemplary precedent" of the agreement between Panama and the United States will promote a "peaceful and equitable" solution of the problems pending between his country and Peru. In 1941, following a military confrontation with Peru, Ecuador lost 200,000 square kilometers of its territory in the eastern and southern portion of the country which were annexed by Peru. Since then, Ecuador has been demanding and searching for an "honorable" solution to the problem which would give it an outlet to the Amazon River as a sovereign right.

The foreign minister, when making a yearly report on his diplomatic mission over a television network, said: "Ecuador and Peru have been holding preliminary talks to find formulas for an advantageous understanding through constructive dialog to make possible a solution to the territorial problem on terms in harmony with the national honor and the sovereign destiny of our country in the Amazon River."

The foreign minister also said that Ecuador strongly supports any negotiations seeking a general and complete disarmament within the context of the grave problem of the arms race in which the world is involved. He said that if this objective is attained, it would "not only mean a decrease in international tension, but would make it possible to channel large financial resources toward positive goals for the welfare of humanity."

BUSINESSMEN CONCERNED OVER GOVERNMENT SPENDING

PA071250Y Quito Radio Cadena Nacional Ecuatoriana in Spanish 2300 GMT 6 Jan 78 PA

[Text] All of the petroleum income has been consumed in a few years' time due to spending on fixed expenses, the bureaucracy and sterile matters, Mario de la Torre, president of the Quito Chamber of Commerce, said while evaluating the economy in the past 5 years. The Chamber of Commerce president said that once the petroleum income had been exhausted the government's efforts were channeled toward a massive indebtedness which will seriously affect the actions of future administrations.

The Chamber of Commerce, De la Torre said, is seriously concerned over the surprises which the financing of the government budget for 1978 can bring in view of the [word indistinct] made of the possible tax revenue for the fiscal year. The Chamber of Commerce analysis criticizes the notorious growth of the government's budget from 1972 to 1977. He said that from an original budget of 5.5 billion sucres in 1972 we have reached a budget of 24.3 billion sucres in 1978. Against all technical rules, spending has increased an average of 50 percent yearly and has had an impact on the nation which has seriously affected the Ecuadorean family.

COST-OF-LIVING STATISTICS FOR 1977 RELEASED

PA052224Y Buenos Aires LATIN in Spanish 1306 GMT 4 Jan 78 PA

[Text] Quito, 4 Jan (LATIN)--The National Institute of Statistics and Census announced today that in 1977 the cost of living increased 9.8 percent in Ecuador, registering an almost 3-point decrease if compared to fiscal year 1976. According to an official communique, inflation reached only 0.7 percent in December. The areas classified as "assorted," food, clothing and housing were the most affected throughout the entire year. In 1976 the cost of living reached 13.6 percent. This percentage was similar to the ones recorded during the preceding 5 fiscal years.

HAYA DE LA TORRE TO LEAD APRA'S ELECTIONS CAMPAIGN

PA071348Y Buenos Aires LATIN in Spanish 1250 GMT 7 Jan 78 PA

[Text] Lima, 7 Jan (LATIN)--The 83-year-old founder and leader of the American Revolutionary Popular Alliance [APRA], Victor Raul Haya de la Torre, announced here yesterday evening that he will lead his party's campaign in the constituent assembly elections. He stated: "More than 50 years ago I made the promise right here that I would struggle until I die to lead my party to victory. Now that I am 83 years old, I am making the same promise." The elderly leader participated in a rally at San Martin Square. More than 50,000 of his followers applauded him for approximately 20 minutes before he even began speaking. The crowd, made up of persons from all social classes, including the young and the old, shouted such slogans as "APRA to power, the military to the barracks," "Haya or not, Haya shall be," "united until death" and "Haya for president."

Haya de la Torre spoke with an unclear and tired voice. He was cautious in his criticism of the military government, although he demanded that there be "no more dictatorships," a phrase that was picked up by the crowd and chanted. In his strongest criticism of the regime headed by Gen Francisco Morales Bermudez, Haya de la Torre demanded that a report be made on the causes of the "enormous foreign debt" of the nation which according to unofficial data is more than $7.4 billion.

"We are asking," he said, "for information to obtain the necessary data on our foreign debt, on the origin of our foreign debt." A voice in the crowd shouted "it has been a robbery" and the leader noted: "That is one point of view." One of the origins of the foreign debt, according to the APRA leader, is "administrative immorality."

After stating that his party "is the most powerful party in the country," the founder of APRA announced that they will make no political alliance for the elections of 4 June. He strongly rejected any possibility of an alliance with any other movement or with the armed forces as had been persistently rumored here.

Criticizes Political Process

PA071654Y Paris AFP in Spanish 1532 GMT 7 Jan 78 PA

[Text] Lima, 7 Jan (AFP)--The leader of the American Revolutionary Popular Alliance [APRA], Victor Raul Haya de la Torre, committed himself here yesterday evening to lead his party to victory in the forthcoming elections for a "free and sovereign" constituent assembly. The Peruvian politician noted that during the campaign the government will have to be asked about the extent and the reasons for the foreign debt and about the degree of "bureaucratic immorality." Haya de la Torre, who returned from Venezuela, was received at San Martin Square by thousands of his followers, who gave him a big ovation while they waved white handkerchiefs, banners and posters reading: Haya for president, communism will be stopped, and, the right will not return.

The APRA leader said that his voice will be that of a dissident regarding the official explanations for the national economic crisis, which has been attributed mainly to the crisis of capitalism. "This is not true," he said. "the people have been fooled with half-truths and whole lies."

He noted that capitalism is regrouping and reaffirming itself. Haya de la Torre added that the real situation must be seen, and that there should be "no illusion that this country has a great process" when in reality "the Peruvian process has turned around and it is only a model of how to destroy a country."

After noting that there should be a struggle against the two imperialisms that are distributing the world among themselves, he added that the crisis of capitalism has arrived here but that this does not explain "Peru's pathetic situation."

In noting that APRA's political campaign had just begun, the political leader promised that he will lead his party to victory through intelligence and effort, putting the rest of his life at the service of the people.

In the midst of shouts of "Haya for president" from the crowd that filled San Martin Square, the politician called for "no more dictatorships and no more demagoguery, the negation of democracy."

Referring to statements made by President Francisco Morales Bermudez to the effect that the constituent assembly would be closed if it adopts a counterrevolutionary constitution, Haya de la Torre noted that there can be no government without power. He followed this statement by praising the chief of state for his effort to end the hatred between the army and PARA, noting that this is very important because it means the solution of a big problem. After stating that APRA had dedicated its efforts toward this ideal, he noted that if this is achieved the slogan that only APRA will save Peru would have become a reality. "We are going to the elections to win and to have a free and sovereign constitution," Haya de la Torre concluded.

ARMED FORCES, POLICE SUPPORT PRESIDENT

PA071646Y Paris AFP in Spanish 1600 GMT 7 Jan 78 PA

[Excerpt] Lima, 7 Jan (AFP)--The armed forces and police forces support the statements by Peruvian President Gen Grancisco Morales Bermudez on the proposed constituent assembly, Prime Minister Gen Guillermo Arbulu has said. On 30 December, the chief of state asserted that the assembly would be dissolved if it approved a constitution without the reforms made by the military government, adding that there would be a transference of government but not of power.

This warning has been rejected by several political parties, including the influential Aprista Party of Haya de la Torre and Popular Action of former president Fernando Belaunde Terry, both of whom have asked for an explanation and a statement from each branch of the military on the subject.

Another party, the National Odriista Union, founded by the late former president Manuel Odria, suggested the possibility of abstaining fromparticipating in the June elections if "these threats" persist.

The prime minister, war minister and army commanding general said yesterday, Friday, in Tacna, southern Peru: "I agree with the statements of General Morales Bermudez." He went on to say: "Formally, not only the army but the entire armed forces and police forces totally agree with the president's statement." "Actually," he concluded, "what General Morales Bermudez said is what the armed forces and police forces say and maintain."

A statement along the same lines was made by Energy and Mines Minister Gen Juan Sanchez Gonzalez who was part of the prime minister's group. Sanchez Gonzalez said, "The president's statements faithfully reflect the thoughts of the armed forces and police forces.

WORKERS CONFEDERATION, MINISTERS SUPPORT PRESIDENT

PA0617491 Paris AFP in Spanish 1702 GMT 6 Jan 78 PA

[Text] Lima, 6 January (AFP)--The National Confederation of Workers (Christian) and Transportation Minister Gen Elivio Vannini have voiced their support of President Francisco Morales Bermudez' statements on the forthcoming constituent assembly.

The chief of state said on 30 December that the constituent assembly will be dissolved by the armed forces if it approves a reactionary constitution. He added that in 1980 there will be a transfer of government but not of power. That view has been rejected by several political parties, including the country's two main ones: the American Revolutionary Popular Alliance (APRA) and Popular Action. It has also been rejected by the National Odriista Union, the Peruvian Democratic Movement and the Popular Christian Party.

In a communique issued today, the Christian Federation said that Gen Morales Bermudez' statements should not be interpreted as a personal position "but as the view of all the armed forces which echoes the clamor of the Peruvian workers movement." It added that the non-incorporation of the structural reforms in the constitution "would mean a retrogression and a serious frustration for the workers movement." It would also mean that the work carried out by the revolutionary government would be discredited.

It indicated that its appeal to workers federations for establishing a front to defend those reforms has not been heard. It added that as a result of the statements by the political parties, "one foresees a dismal panorama." "We agree," it said, "with the alternative that the president has proposed" and with the decisions that the political and mass organizations may take so that workers will be represented in the constituent assembly.

Meanwhile, Minister Vannini yesterday said in Iquitos in Eastern Peru that "President Morales Bermudez sets the policy of the state and logically all the ministers fully identify with his statements, which are very sincere and filled with truth." The minister said this in answer to questions about the chief of state's statements at his 30 December news conference. Education Minister Gen Otto Elspuru also said in Iquitos that the constituent assembly will incorporate into the constitution the structural reforms undertaken by the military regime. He said that these will permit the country to continue advancing along the paths of freedom and social justice.

BRIEFS

AUTOMOBILE PRODUCTION DROPS--Lima, Jan 6 (AFP)--Car production in Peru dropped 27 percent last year compared to the year before, industry souces said here today. As of last November, 22,700 vehicles had been assembled in Peru compared to 34,300 in 1976. Of these, 15,700 automobiles were assembled in 1977 compared to 22,300 in 1976, and the number of commercial vehicles dropped from 12,000 in 1976 to 7,000 last year. The country's five assembly plants, owned by Chrysler, Volkswagen, Nissan, Toyota and Volvo, all suffered from a shrinking market due to high prices aggravated by a 50 percent currency devaluation, the sources said. [Text] [Paris AFP in English 0244 GMT 7 Jan 78 PA]

FOREIGN MINISTER OUTLINES POLICY FOR 1978

PA080134Y Caracas EL NACIONAL in Spanish 27 Dec 77 p D-5 PA

[Article by Nestor Mora]

[Excerpts] Next year could be a year of confrontation between highly developed nations and developing nations if the former maintain the rigidity that characterized their positions during the past year, Foreign Minister Simon Alberto Consalvi said yesterday.

Answering an interviewer's questions, Minister Consalvi highlighted his plans for the coming year. He pointed out that "the basis of the country's foreign policy will generally be the same, possibly concentrating on those areas which have greater priority and require strengthening, because 1978 will be the last year of President Perez' administration." The minister felt that these areas may be the following: Petroleum, Caribbean development, international delimitations--those which are possible within this period--Andean integration, the Amazon Pact, the efforts of the Group of 77 and revision of the strategy for the North-South dialog in the United Nations, the implementation of the fishing agreement signed with Trinidad and the Law of the Sea Conference.

He noted: "On the subject of trips, I think the president will not travel abroad, or at least do very little traveling. As for myself, I will go to Surinam in January. These are the specifics. I will also have to go to the OAS conference, the UN disarmament conference in May and the General Assembly in September. I also think there will be a meeting of the Andean Group foreign ministers and another, most surely, to discuss the Amazon Pact."

Answering a question by an interviewer in connection with the status of the marine delimitation problem, the foreign minister said: "The subject of delimitation will of course receive priority attention. As you say, several matters in this field are pending." These are the delimitation of marine and continental shelf areas with Colombia, the Netherlands Antilles, Trinidad and Tobago, and to seek ways of solving the land dispute with Guyan. These are matters that require in-depth studies with experts in many fields. A great deal of work has already been done on some of these problems, but a consensus is required to resolve them successfully and to seek solutions that will be fair to all nations involved.

He warned: "These delimitations, like the delimitations with the United States in the Caribbean, are priority matters of Venezuelan foreign policy. Talks with the Netherlands for the delimitation of marine and continental shelf areas with the Netherlands Antilles will resume on 16 January. Personally, I feel that this may be the first agreement we reach, and it is perfectly possible tht this will be in 1978."

Minister Consalvi then went on to analyze certain aspects related to the Caribbeans. He referred to the fishing agreement recently signed with Trinidad after 10 years of negotiations and recalled that the development of the Caribbean is an idea which resulted from the talks between President Perez and several leaders and chiefs of state. These talks dealt with a multilateral program of cooperation between developed and developing nations that are in a position to carry it out and of contributing to the establishment of a fund for the development of the area.

Referring to Venezuela's major export, the minister added: "Petroleum will be the key in 1978, not only for Venezuela but for the entire world. As the final OPEC communique says, President Perez' proposal will be studied immediately by all governments of the organization."

He announced that talks with the Group of 77 will be undertaken specifically with its president, Ambassador Donald Mills, to find formulas for the organization. "It is indispensable," he said, "to solve the very serious problem of the developing nations and, in particular, those most seriously affected. Their debt surpasses $180 billion, and the servicing of that debt stands in the way of every development program in those countries. The countries of the so-called industrialized democracies are condemning the world to chaos and ruin if they do not solve the economic problems of the Third World."

As the minister sees it, Andean integration is one of the most promising programs of 1978. "Once its guidelines are agreed upon, the achievements of the Cartagena Agreement will be beneficial for all pact members. In view of the industrialized nations' rigidity in negotiating, broad cooperation among Third World nations will be a necessary alternative. The Andean Pact is a good path, even in the field of technological cooperation. We must not forget that we are importing technology in a disorderly fashion, without measuring its consequences or its sophistication. This question, as well as that of imports, must be reviewed by our countries."

The Law of the Sea Conference negotiations are also proceeding with difficulty, the minister commented. Nobody wants to negotiate or understand the problems of the Third World. There is a great intransigence and, in general, the hardline observed in other negotiations, like in the UN General Assembly and in Geneva continues to prevail.

Minister Consalvi feels that greed has blinded the industrialized nations to the risk we are all running. He asserted: "Nobody will be able to make order in a world in which the only thing that grows is hunger, despir and lack of confidence. Industrialized nations are strangling the Third World. The industrialized nations have reduced their cooperation programs while at the same time their arms sales are growing incredibly--military spending amounts to over $300 billion yearly. This will be an interesting topic this year in the United Nations, as we will dedicate a special General Assembly session to its study."

Concluding the interview, the foreign minister said that in 1978 the predominant subject will undoubtedly be the North-South dialog. At the urging of the Third World during the last UN General Assembly the post of under secretary general for economic affairs was created, with the official to be elected among the representatives of developing nations. "The dialog," the minister said, "may be called by whatever name is desired and, at any given time, may border on confrontation if the intransigence of the developed world continues along the same rigid lines of 1977."

COPEI CRITICIZES PRESIDENT'S NEW YEAR'S SPEECH

PA081942Y Caracas EL UNIVERSAL in Spanish 2 Jan 78 p 1-10 PA

[By Richardo Escalante]

[Excerpts] Pedro Pablo Aguilar, secretary general of the Social Christian (COPEI) Party, last night had harsh words for President Carlos Andres Perez' New Year's speech, due, among other things, to the reasons given to justify the squandering of the state's resources and the government's debt policy.

"The president's optimism is reasonable.... Unfortunately, the real situation in this country is very different from the paradise he described in his speech," Aguilar said.

"The president has made an evaluation of the 4 years of government. It is noteworthy that in this evaluation he continued using verbs in the future tense. The message's essential part refers to plans and projects: Steel mills, the Zulia coal, shipyards, bauxite, bus and tractor factories, land recovery and so forth," Aguilar said, adding that the same things the president was offering when he was sworn in continue to be the subject of his New Year's message. Just as in the first year he said "we will do," these today, now, 4 years later, his most important announcements continue to be promises for the future.

Aguilar went on to say: "The message contains a statement which is the most severe criticism which can be made of his government. He said that during his administration the capitalization of the public sector has been twice as high as in the previous administration. The previous government had fiscal resources amounting to 60 billion bolivares. This government's fiscal resources amounted to 250 billion bolivares, 4 times more than what the previous government had had. Consequently, capitalization should have been four times as high and not twice, as the president reported."

COPEI's secretary general added: "Just as Carlos Andres Perez' thesis on the public debt is questionable, just as questionable is his lack of concern for the deficit in the balance of payments. It is not true that that our diminishing foreign exchange is being turned into machinery and equipment. A good deal of that foreign exchange is being squandered on superfluous and 'new rich' spending which makes us a laughing stock abroad."

In the opinion of the COPEI secretary general, administrative corruption deserves comment: "It is an old problem but we differ with the chief executive when he alleges that the vices and evils of this administration have been similar to those in the past four democratic periods. That is not right. In previous times there was corruption, but never as bad as now."

Asked what he thought of the presidential call for a clean election campaign, Aguilar answered: "If the government stops being aggressive and does not abuse its powers, the conditions would be right for such an exemplary election campaign. Unfortunately, the presidential message itself is an expression of the government's mania for taking advantage of all opportunities to attack the previous administration. Consequently, the government is the first that should match its actions with its words.

GOVERNMENT, RADIO STATIONS SETTLE DIFFERENCES

PA062247Y Paris AFP in Spanish 2340 GMT 5 Jan 78 PA

[Text] Caracas, 5 Jan (AFP)--The problem existing between the government and private radio stations was solved today when the stations agreed to broadcast voluntarily two official newscasts for international consumption. The agreement was announced today by Information and Tourism Minister Diego Arria after he had met with the directors of the Venezuelan Radio Broadcasting Chamber. Five-minute newscasts will be broadcast by the national radio station and can be simultaneously broadcast either totally or partially by all private radio stations. Arria said that any station can leave the network when it believes that the newscasts are straying from the agreed upon goal which will be that of "balanced, objective and honest information which will allow Venezuelans to form an opinion based on true facts and to take advantage of the many possibilities which the new Venezuela is offering its people." The private stations had in principle rejected the broadcast of official newscasts, arguing that they were being imposed upon as a result of a regulation issued in 1941 which they consider obsolete.

HAVANA ON U.S.-MEXICO RELATIONS

FL061559Y Havana Domestic Service in Spanish 1505 GMT 6 Jan 78 FL

[Text] The Mexican press terms the suspension of the sale of natural gas to the United States as the worst crisis in the relations between the two countries in half a century. The conflict reached its most critical level when the United States refused to grant a loan of 500 million dollars because Mexico had rejected its conditions for reducing the price of each cubic foot of petroleum gas from [words indistinct]. The loan would have been used to finance a 1,350-km pipeline to carry gas to North American territory. The pipeline, whose construction has already been started by Mexico and cannot be stopped, now will be used to carry gas to Mexico's northwestern industrial cities.

VIOLENCE IN TAMAULIPAS OVER MUNICPAL ELECTIONS

FL072118Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2103 GMT 7 Jan 78 FL

[Text] Mexico City, 7 Jan (ANSA-INFORMEX)--There was violence yesterday in Ciudad Mante, Tamaulipas State, (on the border with the United States) as members of the Authentic Party of the Mexican Revolution (PARM) burned the municipal palace, destroyed installations of the newspaper EL TIEMPO, burned more than 20 official vehicles and damaged police and judicial installations.

The origin of the disturbances can be found in the elections for mayors held in early December and won by candidates of the ruling Institutional Revolutionary Party (PRI). However, PARM members have charged irregularities such as theft of ballot boxes, removal of ballots, and so forth.

The inauguration of candidates scheduled for yesterday generated the aforementioned violence. According to official reports, an undetermined number of persons received gunshot wounds. There is an unconfirmed report that two municipal palace employees lost their lives when they could not escape the fire. Police patrols have not intervened per orders from higher authorities.

Army Takes Control

PA072359Y Paris AFP in Spanish 1617 GMT 7 Jan 78 PA

[Excerpts] Mexico City, 7 Jan (AFP)--The army today took control of the small town of Ciudad Mante, where serious disturbances last night left 13 injured and 2 buildings, including the mayor's office, burned down.

The injuries occurred during an armed clash between groups of nonconformists who tried to take over the mayor's office and police officers and civilians who stood guard at the building in view of the tension that has developed following the recent city hall elections. The assailants, all members of the Authentic Party of the Mexican Revolution (PARM), said that the police officers opened fire on them as they tried to enter city hall. The group of nonconformists then hurled Molotov cocktails at the two-story mayor's office building, which was completely destroyed. The rioters also burned down the revenue office, located approximately 50 meters away from the mayor's office, and threw stones at the offices of the three newspapers in Ciudad Mante, 400 km northeast of here. A movie theater and several businesses were looted during the disturbances, which followed a public demonstration by the nonconformists at this town of 80,000 inhabitants.

The riots are in protest against the appointment of Mayor Enrique Cano Gonzalez, a member of the official Institutional Revolutionary Party, whom the PARM members have charged with rigging the 4 December election. Other riots have taken place in other parts of the states of Tamaulipas and Oaxaca, in northeastern and southeastern Mexico, respectively, since that date, creating a climate of widespread political tension.

Today, while military patrols policed Ciudad Mante, a city hall source said over the phone that military surveillance will continue as long as it is deemed necessary. City hall officials accused the assailants of firing shots at the mayor's office building and stressed that the police did not open fire. Several police cars and other city hall vehicles also were burned during the disturbances.

The PARM's ideology is similar to that of the official party, but it is a firm opponent of the official party in local elections in several parts of the country. PARM members have staged sit-ins in other city hall buildings. Since December, they also have staged demonstrations and blocked traffic, mainly in Tamaulipas State, blaming the official party for having rigged elections.

BRAZILIAN ENVOY ON GEISEL'S 14 JAN VISIT

FL072130Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2109 GMT 7 Jan 78 FL

[Text] Mexico City, 7 Jan (ANSA-INFORMEX)--Brazilian Ambassador to Mexico Lauro Escorel de Moraes has declared that President Ernesto Geisel's upcoming visit to this country is not only for the purpose of buying Mexican oil but also to expand and strengthen Brazilian-Mexican commercial, cultural and political relations. He maintained that Geisel's arrival--which will take place on Saturday, 14 January--is a highly significant political event and an effort of the two governments to expand their relations.

The balance of trade between the two countries favored Mexico by $56 million in 1977 and $41 million in 1976.

In statements to the press, Escorel de Moraes stressed that Mexico is Brazil's biggest partner within the Latin American Free Trade Association (LAFTA) and its second biggest supplier on the continent, after the United States.

POLICE KILL COMMUNIST LEAGUE MEMBERS IN SHOOTOUT

FL062130Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2116 GMT 6 Jan 78 FL

[Text] Mexico City, 6 Jan (ANSA-INFORMEX)--Following a heavy shootout, members of this (?capital's) police killed three of the principal leaders of the so-called "23 September Communist League." One of them has been identified as Sergio Lopez Lopez while the other two were mentioned only by their nicknames of "El Karateca" and "Pedro N." According to police, the terrorists had participated in several acts of violence, but primarily in the attempt to kidnap Mrs Margarita Lopez-Portillo--sister of the president of the republic--in August 1975.

BUSINESSMEN ADDRESS VISITING U.S. SENATORS

PA061449Y Panama City STAR AND HERALD in English 6 Jan 78 pp 1, 7 PA

[Text] Panama Chamber of Commerce President Jose Chirino told Senate Minority Leader Howard Baker and his two colleagues yesterday that "ratification of the treaties should not depend on our (Panamanians) ability to resolve our internal problems."

Baker and Senators John Chaffee and Jake Garn flew over both sides of the Canal Zone in a U.S. military helicopter and finally landed at Fort Clayton where they were greeted by U.S. military authorities.

They met with Chirino and members of his board of directors at the Chamber of Commerce building during the afternoon.

Chirino's remark was contained in two-page statement read to the senators at the beginning of the interview with the businessmen. Also attending the meeting was Mario Rognoni, chairman of the National Private Enterprise Council (CONEP).

Following is the full text of Chirino's statement:

"Chamber of Commerce, Industries and Agriculture of Panama feels honored by your acceptance of our invitation to converse on matters of high importance to our peoples.

"The negotiation and signing of the treaties between Panama and the United States signifies the result of the joint effort of several generations of Panamanians and several Republican and Democratic administrations of the United States.

"The Chamber of Commerce considers that the recently signed treaties should be ratified. The plebiscite by the Panamanians eloquently evidenced the fair and just aspirations of our people.

"The approval by the United States Senate shall signify the confirmation of the political, social and religious principles upon which the republic of the United States of America was founded.

"We trust that after our conversations the distinguished visiting senators will be able to obtain a clear concept of the reality of the relations between our contries; and it is our desire that this be so understood by the North American people.

"The faith and credibility of North American institutions shall be at stake if the United States Senate rejects a treaty negotiated and signed by the executive power with the participation of several Republican and Democratic administrations, due to political reasons of an internal nature.

"We are convinced that within a short period of time the people of the United States of America and their representatives shall recognize the importance that ratification of the treaties has for the future relations of both countries.

"There can be no other alternative. We affirm this emphatically. Otherwise, the nations of the world would lose faith in the principles proclaimed by your nation in the most ample and absolute respect for human rights.

"We recognize that the treaties signed do not completely satisfy the aspirations of all the Panamanian and American people. Likewise, the ratification of the treaties will not resolve all of the economic and other problems which our nation is experiencing. These problems being internal must be resolved by us, the Panamanians, and we do not believe that the ratification of the treaties should depend on our ability to resolve our internal problems.

"We do not fear the future and shall continue our endless efforts for the ideals of human rights, of free enterprise, for the good of Panama. We only aspire to be understood.

"Panama looks toward the world with faith in the support that has been offered. We are sure that the world is also looking at the United States with expectation. Therefore, the harmonious coexistence of democratic systems shall depend upon the decision that the United States Senate takes when voting on these treaties.

"It must be emphasized that from the mutual interests of our two nations, the present treaty should bring forth the effective utilization of our geographic location and the facilities that such a great work offers for the benefit of Panama, the United States and the world.

"It is necessary to note, that for the adequate implementation of the norms to regulate our relations with regard to the operation of the canal, and full mutual understanding, the free development of the economic, social, cultural and political activities must be encouraged in order to obtain the full desired wellbeing, based on full freedom and the total effectiveness of the law.

"Honorable senators, Panama opened its land to unite the people of the world. Therefore, with the ratification of the treaties by the United States of North America, said union shall be underscored, assuring the full democratic development, as confirmation of its faith in your nation's institutions."

FOREIGN MINISTER'S STATEMENT FOLLOWING SENATORS' VISIT

PA072239Y Panama City Domestic Service in Spanish 2017 GMT 7 Jan 78 PA

[Statement by Nicolas Gonzalez Revilla, Panamanian foreign affairs minister, following news conference by U.S. Senators Howard Baker, John Chaffee and Jake Garn at Tocumen Airport on 7 January--recorded]

[Text] Ladies and gentlemen: We believe that the talks Senator Baker, the Republican minority leader, Senator Chaffee and Senator Garn held with General Torrijos and his government team were very valuable. They were also very frank and very clear.

The discussions were always held in an atmosphere of mutual respect, which we appreciated very much. We believe that their visit has helped to give a more precise perspective of the factors affecting the vote that they will cast in the near future in the U.S. Senate.

Regarding the matter of amendments, General Torrijos said an open mind must prevail because he believes in the peaceful solution of conflicts and international disputes. It is still clear, however, that the problem of the amendments is a bridge that the Panamanian people and the U.S. Senate must cross when we get to it, and if we get to it.

It has been made evident, as all of you are aware, that far from being a problem between two governments, it is a problem between two peoples. At present, the decisions are being made by the United States. Over the next 2 or 3 months, however, we expect that the future of the Panama Canal, which directly affects the future of the Republic of Panama, will be clearly defined. Thank you.

FOREIGN MINISTER: NO NEED FOR ANOTHER PLEBISCITE

PA080237Y Panama City Televisora Nacional in Spanish 2315 GMT 7 Jan 78 PA

[Remarks by Panamanian Foreign Minister Nicolas Gonzalez Revilla during question-and-answer session with U.S. Senators Howard Baker, John Chaffee and Jake Garn at Tocumen Airport on 7 January--recorded]

[Excerpt] [Question] Mr Foreign Minister, I would like to know how the Panamanian Government views the concept of open-mindedness and how it views the idea of holding another referendum?

[Answer] I think that the concept of open-mindedness, as I explained just a minute ago, is clear-cut. It is a way of thinking, a philosophy, rather than a specific thing right now. It is a philosophy on how to reach a peaceful settlement of disputes. I would rather not expand on how we view the concept of open-mindedness any further than that right now.

Concerning the second part of your question on the likelihood of holding another referendum, I feel that it is too early to say yet. We feel that there is no need to consider holding another plebiscite now.

DOMINICAL SCORES GOLDWATER'S 'SENSELESS PROVOCATION'

PA082121Y Panama City DOMINICAL in Spanish 8 Jan 78 pl-a PA

[Front-page editorial: "Out of Focus"]

[Text] The publishers of this newspaper are astonished at the announcement from the Canal Zone to the national press, radio and television services that conservative U.S. Senator Goldwater will hold a news conference tomorrow, 9 January, in that Panamanian territory occupied by the United States. We are aware of our professional duties, but as Panamanians first declare that the announced news conference--because of the date and the place in which it is to be held--is an insult to national dignity and a belittling of the Panamanian people's mourning. Because of the foregoing and many other reasons which we will not mention, we the members of LA REPUBLICA'S staff declare that we will not attend the news conference, which is a senseless provocation.

RADIO, PRESS COMMENT ON POSSIBLE AMENDMENTS TO TREATY

RPC Comment

PA071313Y Panama City Circuito RPC in Spanish 1220 GMT 7 Jan 78 PA

[Text] It appears that the incorporation of the memorandum of understanding [memorandum de entendimiento] on the neutrality pact included in the texts of the Torrijos-Carter treaties is the only amendment that Panama could accept.

In October, General Torrijos and President Carter met to clear up any doubt on the role the two countries have regarding the neutrality of the canal, but no document was signed then.

The senators visiting us have insisted on amendments, and it appears that leading Panamanian Government authorities do not like it.

MATUTINO Column

PA071824Y Panama City MATUTINO in Spanish 6 Jan 78 p 4-a PA

["Bitacora de la Redaccion" column]

[Text] The idea of some senators to amend the treaties ratified by the majority of the Panamanian people is not a new one. Most knowledgable Panamanians, those experienced in the subtle or open maneuvers of those who designed and support the colonial structure which wounds our country, knew that sooner or later they would show their true colors.

Purposefully, they are toying with our resistance, with the patience and calm of Panamanians, particularly the youth. Above all, they appear to be trying to provoke adventurism as if their true aims had nothing to do with Panamanians.

They are confident that they can pressure our country to the point of despair. They believe that they can divide our nation with the argument of asking for more and more "democratic freedoms" and "political parties" in hopes of causing trouble with a subtle threat of motivating ambitions which could change the course of the revolutionary process.

They think that they can, to silence and censure the patriotic voices which denounce their maneuvers, set off a "witchhunt," ideological struggle and confusions which would stimulate anticommunist campaigns.

This is all childish because there is no Panamanian in our small but great nation who is not aware of all this deviltry which grows and succeeds in nations which have a tradition of traitors.

And in Panama from the time of its birth as a republic, there is and will be no Panamanian who lends himself to betraying the country.

Let them continue with their politicking then, because they will not take us where they want. We Panamanians know when and how to will reaffirm our inalienable rights as a sovereign nation.

CRITICA Editorial

PA071800Y Panama City CRITICA in Spanish 6 Jan 78 p 4 PA

[Editorial: "Ammendment to the Treaties"]

[Text] The U.S. senators visiting our country for the purpose of reaching a decision regarding the treaties signed by President Carter and Panamanian Chief of Government General Torrijos have made it evident that they are inclined toward a revision of the documents. According to them, the august body composed of 100 great U.S. legislators will ratify the treaties only after they have been amended.

As we have already noted, the position of the Republican Senate Minority Leader Howard Baker is the most important since he can influence his colleagues in the same party. According to the admonitory opinion given the day before yesterday by Mr. Baker to General Torrijos at his Farallon home, there is no better alternative than modifying the canal treaties.

Baker was blunt when he said that the present treaties will not pass the Senate. He added that the ratification of the treaties without changes, amendments and reservations is only an illusion. Utah Republican Senator Jake Garn did not change his antitreaty position, although he gave the impression that he could accept Baker's thesis and change his opinion if the portions of the treaties on the defense and neutrality of the canal are clarified and if the memorandum of understanding agreed upon by Carter and Torrijos during their last meeting in the White House is incorporated into the treaties.

Rhode Island Republican Senator John H. Chaffee has maintained his support for the treaties. He is part of the trio headed by Baker that is visiting Panama. Senator Chafee said something in Farallon that could be interpreted as an excess of self-confidence. He noted: "I believe that the treaty should not be approved by a narrow margin but that it should pass with the broad support that an event of this nature deserves from the U.S. Senate." He reiterated that he wants the pacts approved and "if the Senate ratifies them with some modifications and changes, so much the better."

General Torrijos told the three senators that "no ruler with popular backing can be dogmatic." We published an editorial on this subject yesterday, but there has been increased talk in favor of amendments to these important documents that were already constitutionally approved by the Panamanian people in the 23 October plebiscite.

In this regard, we believe that the situation calls for extreme caution. Any unilateral amendment made by the U.S. Senate to the treaties implies new treaties that would require a new constitutional plebiscite process for their ratification by Panama.

We understand General Torrijos' flexibility and the respect he has for the opinion of senators who perhaps have their reasons for objecting to the treaties as they stand now. However, President Carter has said that besides the points of interpretation agreed upon during his meeting with Torrijos, there is nothing to be added to or eliminated from the treaties. What is more, it is being said that this demand for amendments is being used as a source of pressure against the new occupant of the White House. It could be that theoretically something could be done so that the treaties do not fall through. The Panamanian people have honorably abided by the political constitution. Any renegotiation involves the risk of having serious consequences despite the good faith of Senator Howard Baker as accepted by Omar Torrijos.

Velasquez Commentary

PA061650Y Panama City Televisora Nacional in Spanish 2315 GMT 5 Jan 78 PA

[Mario Velasquez commentary]

[Text] It may be said that the visits of U.S. senators to Panama are part of the negotiation folklore. U.S. senators have been arriving in Panama practically every week. They stay here 3 to 4 days, fulfill an almost identical schedule of visits and meetings and then return to their country feeling that they know and understand Panama, its people and its problems because they were here a few days. Even if this is not so, the visits show at least a willingness to study and understand a problem.

One of these senatorial delegations is now in Panama. We feel that it is very important. It is composed of Senators Howard Baker Jr, Senate Republican minority leader, and John Chaffee and Jake Garn of the same party.

According to statements Senators Baker and Garn have made to the press, both have apparently told General Torrijos that unless the treaties are amended their approval by the Senate is unlikely. Senator Baker firmly said that the U.S. Senate will reject the treaty as it is and that it will pass only if it is amended. Senator Garn spoke more or less along the same lines but emphasized that he is against the treaty. Senator Chaffee said he favors the treaty as it is.

It is my impression that Senator Baker, a capable, intelligent and ambitious politician, is trying to exert some type of pressure to lead Panama into a position in which there could be talk of amendments to the treaty. I feel that Baker wishes to return to Washington with some achievement and that his visit is not only aimed at obtaining first-hand knowledge of the problem but at attaining a more far-reaching objective.

In statements to the press yesterday afternoon at Farallon, the chief of government hinted that there has been talk of possible amendments when he coined the descriptive term "third truth." Torrijos also emphasized that he is an open-minded man.

I am quite conscious of the difficulties faced in acchieving ratification of the treaties, and also of how important the treaty is for our country's future. I feel it would be wise for our government to adopt a flexible attitude in regard to this problem in order not to increase opposition to the treaties in the Senate. It might even be advisable to consider the possibility of amending the treaty to clarify concepts and to fix its scope, not only to contribute to its ratification but--insofar as Panama is concerned--to reduce as much as possible the confusion surrounding its interpretation.

However, it should be borne very much in mind that opening the way to possible amendments would be a very dangerous game for Panama, because it could open the door to an avalanche of amendments and reforms by the senators which would disfigure the Torrijos-Carter treaties. In addition, it must be clearly stated that the treaties were negotiated with the U.S. executive branch and that it is with this branch that Panama should, in any event, discuss this sensitive matter.

The U.S. Senate is a highly politicized and impressively powerful body standing before a president like Carter. According to opinion polls, Carter's popularity is declining daily and his ability to handle public matters is being questioned. Politics is highly involved in this matter of the treaties and Senator Baker, who is apparently acting now as a pressure factor, is a Republican and aspires to the presidential nomination of his party.

The problem of the treaties is a very sensitive matter for U.S. public opinion and some politicians wish to build a career on it. For a man like Senator Baker to return to Washington with something resembling a willingness by Panama to negotiate amendments could be a legitimate political victory at a time when, even if such willingness existed, nothing guarantees that such willingness would open the door to ratification of the treaty.

This is the way we see the situation at this time, without taking into account the legal problems the Panamanian Government would face in amending a treaty which has already been approved by the people and which would have to be again submitted to popular consultation in order to adopt a decision about any possible amendments.

UNIDAD WARNS AGAINST ATTACK ON REVOLUTION

PA070336Y Panama City Domestic Service in Spanish 2230 GMT 6 Jan 78 PA

[Text] The biweekly UNIDAD, which is published in our country, today warned that the United States and its Panamanian allies are using the controversy over the ratification of the canal treaties to attack the national liberation process and to limit its revolutionary and anti-imperialist nature.

After analyzing Panama's situation 14 years after the bloody attack carried out by U.S. troops against the Panamanian civilian population on 9 January 1964, UNIDAD states that the new documents have turned into internal political elements in both countries. The publication affirms that both the United States and its allies here in Panama are implementing a policy aimed at blackmailing Torrijos' administration into consenting to the return of the traditional parties and are also using the economic crisis to impose political conditions through loans with strings.

UNIDAD adds that this policy seeks to prevent the revolutionary forces from furthering the expansion of the liberation process and from bringing about a total change in the old political, social and economic structures that have kept the country in a backward condition. It is for the country's liberation that the current revolutionary process is working.

GOVERNMENT SPOKESMAN WELCOMES DEMOCRATIC OPENING

PA061616Y Panama City LA REPUBLICA in Spanish 5 Jan 78 pp 1a, 4a, PA

[Text] Romulo Escobar Bethancourt, director of the Government Information Commission, this morning told LA REPUBLICA that the democratic process in Panama is not "an Indian summer" but an authentic expression of freedom by the revolutionary government and of the will of Chief of Government Omar Torrijos Herrera.

Regarding the [party] conventions being organized throughout the country as well as the radio and television commentaries on them, Escobar said that he feels organizations and citizens have the right and/or duty to express their opinions and to be listened to in connection with the country's problems and, more specifically, with political problems.

Regarding a recently televised political program in which David Samudio and Dr Mario Galindo appeared, Escobar said that their statements were opportune because some persons expressed doubts when the government opened a broad and frank debate on the treaties. However, the participation of the students, firemen, trade unionists, teachers and other civic organizations showed that the revolutionary government was willing to allow the people to express their ideas broadly and freely.

Escobar said that the government has welcomed the idea that the state cover the expenses of those who participate in the political debate because this will allow everybody to participate in the elections and prevent the process from being controlled by a group which is very belligerent because it is economically powerful.

EL SALVADOR

PRESIDENT MEETS WITH HONDURAN PRESIDENT; AGREEMENT REACHED

PA080230Y Panama City ACAN in Spanish 0139 GMT 8 Jan 78 PA

[Text] San Salvador, 7 Jan (ACAN-EFE)--The Salvadoran and Honduran presidents today met in El Poy, along the Salvadoran border some 97 km north of San Salvador. This afternoon they agreed on three basic points in the solution to the dispute affecting them since July 1969.

Honduran Chief of State Gen Juan Alberto Melgar Castro and Salvadoran President Gen Carlos Humberto Romero, after meeting privately and with their main colleagues, agreed to ask their respective foreign ministers and negotiating commissions to intensify their efforts so that during the mediation proceedings they apply in principle the agreements previously reached through direct negotiations in order to facilitate to the greatest extent possible the task of appointed mediator Dr Jose Luis Bustamante y Rivero, a former Peruvian president.

They agreed to analyze future economic relations between the two countries and the possibilities of establishing the Central American socioeconomic community. They also ordered their respective officials to continue to study and carry out the necessary activities to reach this goal.

Melgar and Romero also agreed to maintain and intensify contacts between government officials at various levels in order to hasten the process of reestablishing completely normal relations between both peoples and governments.

The Salvadoran president was accompanied by Foreign Minister Alvaro Ernesto Martinez, Finance Deputy Secretary Hugo Leonel Pineda, Armed Forces Chief of Staff Gen Jose Luis Ramon Rosales, Presidential Private Secretary Gen Jose Napoleon Agreda, Information Secretary Col Rafael Flores Lima, Presidential Chief of Staff Col Luis Benedicto Rodriguez, Commander of Frontier Detachment No 1 Col Carlos Alfredo Choto, Arturo Castrillo Hidalgo of the negotiating commission and President of the Central Reserve Bank Victor A. Hurtarte.

Melgar Castro was accompanied by Foreign Minister Roberto Palma Galvez, Cesar A. Batres, Armed Forces General Chief of Staff Gen Mario E. Chinchilla, President of the Central Reserve Bank Guillermo Bueso, Information, Culture and Tourism Minister Col Edin O'Connor, Commander of the Third Region Col Rene H. Montoya and 7th Battalion Commander Col Humberto H. Regalado.

OAS OBSERVERS TO REMAIN 3 MORE MONTHS

PA061604Y Paris AFP in Spanish 2133 GMT 5 Jan 78 PA

[Text] San Salvador, 5 Jan (AFP)--It was officially announced here today that the Honduran and Salvadoran governments have agreed to extend for 3 more months the presence of the OAS military observers on their respective borders.

The observers are in charge of watching over the neutrality of the border zone in order to prevent incidents since the two countries have not had diplomatic relations since 1969.

The Foreign Ministry reported that the observers mandate expired on 15 January, but that it has been extended until 15 April while Peruvian jurist Jose Luis Bustamante, who has been appointed official mediator, continues his work to definitively obtain Honduran-Salvadoran peace.

PRESIDENT: THERE ARE 'NO POLITICAL PRISONERS'

PA072341Y Panama City ACAN in Spanish 1520 GMT 7 Jan 78 PA

[Text] San Salvador, 7 Jan (ACAN-EFE)--When asked by newsmen today about claims of alleged pressure to accept conditions in the recent release of industrialist Victor Safie, Salvadoran President Gen Carlos Humberto Romero said that "there are no political prisoners to set free."

The industrialist was kidnaped on 21 December 1977 and released on 4 January upon payment of a ransom which, it was unofficially learned, totaled $100,000.

Romero denied any involvement in the Safie family's arrangements with the self-styled leftwing Armed Forces of National Resistance, which kidnaped the owner of La Estrella textile factory.

Concerning the existence of political prisoners in the country, the Salvadoran president stated that common criminals, who have committed murder and other crimes, are in prison and their cases are being handled by the courts.

A committee of mothers of political prisoners has been working nationally and internationally to secure their children's release. A request for amnesty filed with the Salvadoran Congress before Christmas was turned down.

GUATEMALA

TALKS WITH UK ON BELIZE TO BE RESUMED

PA062237Y Panama City ACAN in Spanish 1514 GMT 5 Jan 78 PA

[Text] Guatemala City, 5 Jan (ACAN-EFE)--Foreign Minister Adolfo Molina Orantes announced here today that the 1978 round of negotiations between Guatemala and Great Britain on the future of Belize will begin in late January.

According to the foreign minister, the initial contacts are already being made to choose a neutral meeting place which might very well be New York or Washington.

Molina Orantes also denied a Washington STAR report according to which Guatemala is negotiating the cession of part of Belize's territory in exchange for financial aid for development. According to the U.S. newspaper, British and Guatemalan diplomats and U.S. mediators had agreed to put an end to the century-old conflict. Under this agreement, Guatemala would accept a strip of land that would give it an outlet to the Atlantic and would relinquish its claims to the rest of the territory.

Molina Orantes denied that such a negotiation has taken place, adding that although there are several formulas for a peaceful solution of the conflict, none of them been discussed, much less accepted.

GOVERNMENT TO PERMIT PUBLICATION OF KIDNAPERS' BULLETINS

PA061852Y Paris AFP in Spanish 0116 GMT 6 Jan 78 PA

[Text] Guatemala City, 5 Jan (AFP)--It was reported today that the government (?will permit) the publication of extremists' bulletins without limitations in order to save the life of Roberto Herrera Ibarguen, a member of the State Council who was kidnaped on Saturday.

Interior Vice Minister Enrique Sandoval Vasquez officially announced the government decision to help in the release of the kidnaped official. He added that the police do not have the technical means to combat crime. He said that the police are studying the methods used by the extremists to send the subversive bulletins to newspaper offices. The extremists have signed the bulletins and manifestos sent to the press as members of the Poor People's Guerrilla Army (EGP).

Vice President Mario Sandoval Alarcon will propose the creation of a "super police organization" to watch over the people's security and to combat the increasing violence in Guatemala.

Referring to the country's political situation, Sandoval Alarcon said that "we are living in abnormal times when we cannot defend ourselves with normal measures." Without giving details about his proposal, the vice president said that the super police organization "would have weapons equal or superior to those used by the terrorists."

HONDURAS

MINISTER COMMENTS ON TRADE WITH SOCIALIST BLOC

PA071929Y Panama City ACAN in Spanish 2323 GMT 6 Jan 78 PA

[Text] Tegucigalpa, 6 Jan (ACAN-EFE)--Honduras could establish trade relations with socialist bloc countries following an analysis of the suitability of such an opening. This announcement was made here today by new Economy and Commerce Minister Benjamin Villanueva. The minister, who also said that the situation will be decided soon, comes from the recently created Honduran Banana Corporation where he has a good record.

Villanueva said that efforts will be made to make Honduras' economic system more dynamic and that the changes carried out by the military government in key posts indicate a clear collective movement toward progress.

The new minister noted that there will be efforts to overcome deficiencies through trade relations with all the countries of the world in order to see if there is the possibility of achieving a favorable trade balance.

He also said that Honduras must prepare itself to form part of a completely restructured Central American Common Market if a peace treaty is signed soon with El Salvador.

Hondurans and Salvadorans fought a 100-hour war in 1969. This still separates them and has blocked the trade integration of the isthmus, thus hurting all the members of the Common Market.

PARTIES CRITICIZE NEW ELECTORAL LAW

PA062056Y Panama City ACAN in Spanish 1803 GMT 6 Jan 78 PA

[Text] Tegucigalpa, 6 Jan (ACAN-EFE)--Miguel Andonie Fernandez, national delegate of the Innovation and Unity Party (PINU) currently being organized, said today that the new electoral law "is quite positive but the previous draft underwent many changes."

The new electoral law was drafted by an Advisory Council created by Chief of State Juan Alberto Melgar Castro 2 years ago.

The Supreme Council of the Armed Forces--a body with political and military powers--reviewed it and eliminated two articles that prevented the incumbent chief of state from constitutionally becoming president of the republic. Despite the changes, the law has been praised by various officials of the dominant Honduran political parties. However, it has been attacked by other parties which are in the process of organization.

Francisco Rodolfo Jimenez, secretary general of the Executive Committee of the Honduran Revolutionary Party (PRH), which last year began the battle to obtain legal status, expressed his displeasure with the present electoral law. He said: "We disagree with the contents of the electoral law. It discriminates against us because it does not allow us to be part of the electoral bodies." He added that "it harms the interests of the PRH but we are going to try, through other means, to obtain participation in the electoral bodies."

The new electoral law only recognizes the Liberal, National and Christian Democratic Parties, as well as the PINU, as organized parties entitled to participate in the electoral bodies. Also, it recognizes only the traditional Liberal and National parties as legally registered parties. The others must fulfill registration requirements.

Honduras, which has been ruled by a military government since 1972, will hold elections in 1979 to return to constitutional rule by means of the new electoral law that went into effect this month.

NICARAGUA

OPPOSITION ISSUES LIST OF DEMANDS FOR DIALOG WITH SOMOZA

PA061623Y Panama City ACAN in Spanish 1505 GMT 6 Jan 78 PA

[Text] Managua, 6 Jan (ACAN-EFE)--The Nicaraguan opposition today issued to the government a list of seven "minimum" demands whose fulfillment is deemed necessary for the creation of a good climate for national dialog. The opposition political parties, almost all without legal status, are urging that the national dialog to democratize the country be held before 15 January. The liberal government headed by Gen Anastasio Somoza has agreed to participate in a dialog, but after the municipal elections in early February.

Another of the opposition's demands is that the government permit the OAS Human Rights Committee to investigate alleged violations of human rights in Nicaragua. The committee should specifically investigate the disappearance of 350 peasants which was denounced by a Christian assembly in Managua at the end of the year. The opposition believes that this investigation should also be undertaken by the permanent Nicaraguan Committee in Defense of Human Rights and by Amnesty International.

Another of the basic demands of the opposition is that the government carry out an in-depth investigation into administrative corruption, embezzlement of public funds and other public administration irregularities.

The opposition also demands that the labor minister act on a large number of requests from unions for legal status so that there will be real labor union freedom.

Another of the minimum demands is that the government give the opposition political parties guarantees to operate without obstacles of any kind. Another demand deals with the situation of political prisoners who have not been charged or have not been turned over to proper authorities. The opposition parties demand that the prisoners who have not been charged be released or turned over to judicial authorities.

The decision to issue the minimum demands to the Somoza government was made last night during a meeting of the opposition leaders at the archbishopric's office in Managua. The list of minimum demands has already been given to the coordinating commission of the dialog which has announced that it will "immediately" turn over to President Somoza the document containing the opposition's demands for beginning a dialog. The dialog seeks to establish the country's democratization and conditions for its integral development, as well as to prevent bloodshed.

Political circles here are surprised that the list of minimum demands does not mention the Sandinist National Liberation Front [FSLN]. As can be recalled, when there first began to be talk about the dialog in October, it was said that the participation of the FSLN was essential.

Another political organization which is absent from the activities in favor of the dialog is the Conservative Party headed by Fernando Aguero Rocha. He was a member of the former national government junta and former top leader of the country's opposition forces, but after he signed a pact with General Somoza his popularity declined.

Somoza Rejects Demands

PA070426Y Paris AFP in Spanish 0118 GMT 7 Jan 78 PA

[Text] Managua, 6 Jan (AFP)--The scheduled dialog between the government and the opposition was suspended today when President Anatasio Somoza rejected the conditions imposed by the opposition.

The opposition leaders demanded that the dialog, scheduled to follow the municipal elections in February, be held prior to 15 January. This was rejected. The opposition, grouped in an organization called the Democratic Liberation Union [UDEL], also asked for the liberation of alleged guerrillas and for freedom to organize and mobilize unions and political organizations.

The newspaper NOVEDADES, spokesman for the government, today said that the conditions "were unacceptable because they were absurd." The newspaper accused the UDEL representatives of maintaining "the clear intention of blocking Nicaraguan harmony."

The government-opposition dialog was agreed upon in October but the Sandinist National Liberation Army rejected it when Somoza postponed it until after the February elections.

FSLN REPORTS ON DECEMBER OPERATIONS

PA061601Y Havana International Service in Spanish 0000 GMT 6 Jan 78 PA

[Text] The Sandinist National Liberation Front [FSLN] has issued a communique detailing its armed operations in December against the Somoza tyranny and at the same time said that the forthcoming February municipal elections are a farce.

The communique adds that in December FSLN units occupied the Amparo and Las Camelias ranches as well as a factory in Buena Vista. During these actions, the communique says, the workers were lectured on FSLN goals and the crimes and administrative irregularities of the Anastasio Somoza dictatorial regime were denounced. Also in December, FSLN guerrillas attacked several Somoza National Guard posts in Santa Clara and [words indistinct].

It was also reported in Managua that Anastasio Somoza had refused the Red Cross permission to visit the country's prisons to investigate the situation regarding political prisoners.

CUBA TO ATTEND CULTURE, EDUCATION MINISTERS MEETING

FL080025Y Havana Domestic Service in Spanish 0000 GMT 8 Jan 78 FL

[Text] Education and culture ministers from Latin America and the Caribbean will meet in the Colombian capital on Tuesday to study a joint cultural policy. It is the fourth inter-governmental conference on cultural policies in Latin America and the Caribbean convened by UNESCO which will be attended by some 180 delegates, including participants and observers.

Of 28 countries in the area, 22 already have confirmed their participation in the 10-day conference which will include the education and culture ministers from Cuba, Jamaica, Guyana, Venezuela, Costa Rica, Netherland Antilles, Argentina, Brazil, Ecuador, Panama, El Salvador, Colombia, Bolivia and Peru.

The main topic of the conference will be concerned with the typical cultural policies of each country and society of Latin America and their future projections.

ROMANIAN DEFENSE MINISTER ARRIVES FOR VISIT

FL071635Y Havana Domestic Service in Spanish 1145 GMT 7 Jan 78 FL

[Text] Col Gen Ion Coman, national defense minister of the Socialist Republic of Romania, last night arrived in our country at the head of a high-level military delegation in response to an invitation of Army Gen Raul Castro, second secretary of the PCC and minister of the Revolutionary Armed Forces [FAR].

Div Gen Senen Casas Regueiro, member of the PCC Central Committee and first vice minister-chief of the FAR General Staff, welcomed the distinguished visitors at Jose Marti International Airport. Others who were present at the air terminal to welcome the delegation headed by the Romanian defense minister included Division Generals Abelardo Colome Ibarra, Julio Casas Regueiro, Francisco Cabrera Gonzalez and Vice Adm Aldo Santamaria Cuadrado, all of them FAR vice ministers; and Colonels Manuel Penado Casanova and Demetrio Montseny Villa, chief of the FAR Foreign Relations Directorate; and other FAR commanders and officers.

Nicolae Moraru, ambassador of the Socialist Republic of Romania in our country, and military attaches accredited to Cuba also welcomed the visiting Romanian delegation.

Visits Museum, Memorial

FL071825Y Havana Domestic Service in Spanish 1800 GMT 7 Jan 78 FL

[Excerpt] Col Gen Ion Coman this morning laid a floral wreath at the tomb of Lt Gen Antonio Maceo y Grajales and his aide Capt Francisco Gomez Toro at the Cacahual mausoleum.

Div Gen Senen Casas Regueiro, member of the PCC Central Committee and Council of State and first vice minister-chief of the [Revolutionary Armed Forces, FAR] General Staff, accompanied the Romanian national defense minister and his delegation. Other FAR vice ministers, commanders and officers and Nicolae Moraru, ambassador of the Socialist Republic of Romania in Cuba, also attended the ceremony.

The high-level Romanian military delegation headed by Col Gene Ion Coman also visited the museum of the revolution and Granma memorial accompanied by Div Gen Abelardo Colome Ibarra, member of the PCC Central Committee and Council of State and vice minister of the FAR; Col Demetrio Montseny Villa, chief of the FAR ministry's Foreign Relations Directorate; and the Romanian ambassador to our country.

Meets With Castro

FL090019Y Havana Domestic Service in Spanish 0000 GMT 9 Jan 78 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC and president of the Councils of State and Ministers, has received Col Gen Ion Coman, national defense minister of the Socialist Republic of Romania, alternate member of the Executive Political Committee of the Romanian Communist Party Central Committee, and deputy to that country's Grand National Assembly.

The other members of the Romanian high-level military delegation that is visiting Cuba participated in the meeting, which was held in a friendly atmosphere. The meeting was attended for the Cuban side by Division Generals Senen Casas Regueiro, first vice minister-chief of the Revolutionary Armed Forces [FAR] General Staff, and Abelardo Colome Ibarra, vice minister of the FAR, both members of the PCC Central Committee. The friendly meeting also was attended by Nicolae Moraru, ambassador to Cuba of the Socialist Republic of Romania; and Col Demetrio Montseny Villa, chief of the Foreign Relations Directorate of the FAR Ministry.

Commander in Chief Fidel Castro wished the visitors a pleasant stay in our fatherland.

The Romanian defense minister today arrived in the Isle of Pines accompanied by his high-level military delegation and Div Gen Senen Casas Regueiro. They were received at the local airport by Arturo Lince, member of the PCC Central Committee and party first secretary in that special municipality; and Col Ramon Valle, commander of the military region.

The visitors have toured the urban and industrial areas of the city of Nueva Gerona, the citrus fruit plantations in the small island and the former Modelo Prison which today is the museum of the revolution.

VISITING CANADIAN MINISTER SIGNS SPORTS COOPERATION ACREEMENT

FL080049Y Havana Domestic Service in Spanish 2311 GMT 7 Jan 78 FL

[Text] An exchange protocol for 1978 (?and) a joint communique were signed today between the Canadian Ministry of State for Fitness and Amateur Sports and Cuba's National Institute for Sports, Physical Education and Recreation--INDER--at the conclusion of talks between delegations of the two organizations. Iona Campagnold, head of the Canadian ministry, and Jorge Garcia-Bango, Cuba's INDER president, who headed the two sides, signed the documents.

During the talks, the common viewpoints and interests, with respect to the value of physical education, sports and recreation, were reaffirmed as a social phenomenon whose development should guarantee the widest public participation, according to the communique. It also states the necessity to strengthen the bilateral accords which promote exchanges in the field of sports, physical education and recreation along with experiences in the scientific, technical and pedagogic aspects related to this discipline.

The 1978 exchange protocol signed between the Canadian Ministry of State for Fitness and Amateur Sports and Cuba's INDER establishes joint traiing with a spirit of mutual benefit. It was made known that this year more than 100 Cuban athletes will travel to Canada, in nine sports, among them swimming, diving, water ballet, track and field, judo and rowing.

Afterward, in a talk with the press, Minister Campagnolo described the structure of the organization she heads and the type and organization of participation in amateur sports in Canada. She also referred to the great impression she felt upon being briefed on the development of Cuban amateur sports movement. She also praised the plans undertaken to teach sports, about which she learned more on her visits to the Martires de Barbados Basic Sports Training School and the Maj Manuel Farjado Higher Institute of Physical Education.

Meets With Castro

FL071645Y Havana Domestic Service in Spanish 1100 GMT 7 Jan 78 FL

[Text] Commander in Chief Fidel Castro, president of the Council of State and Council of Ministers, has met in our capital with Iona Campagnolo, Canadian minister of state for fitness and amateur sports. Matters concerned with the development of sports exchange between Cuba and Canada and other topics of interest to the two countries were discussed in the course of the meeting between Fidel and the Canadian minister.

Meets With Rodriguez

FL071748Y Havana Domestic Service in Spanish 1700 GMT 7 Jan 78 FL

[Text] Carlos Rafael Rodriguez, member of the PCC Central Committee Politburo and vice president of the Council of State and Council of Ministers, yesterday received Iona Campagnolo, Canadian minister of state for fitness and amateur sports, who has arrived in Cuba at the invitation of the National Institute for Sports, Physical Education and Recreation--INDER.

Canadian Ambassador to Cuba Gary Harman accompanied the Canadian minister during the meeting. The two sides exchanged experiences on economic cooperation between the two countries and examined prospects for greater cooperation in that important field between Cuba and Canada.

UNESCO DIRECTOR VISITS YOUTH FESTIVAL COMMITTEE

FL072354Y Havana Domestic Service in Spanish 2338 GMT 7 Jan 78 FL

[Text] UNESCO Director General Amadou Mahtar M'bow has visited in Havana the headquarters of the Permanent Commission of the International Preparatory Committee for the 11th World Youth and Student Festival. M'bow was accompanied by the other members of his delegation and Cuban Ambassador to UNESCO Hermes Herrera.

He was welcomed by representatives from various countries to the permanent commission. Thereafter, a friendly meeting was held in the conference room of the building.

(Allan Gresh), coordinating secretary of the International Preparatory Committee, said that the festival's movement and UNESCO commemorated their 30th anniversary in 1977 and that at this time the number of delegations already have been tripled [for the 11th festival] as compared to the first festival.

During his visit to the Permanent Commission of the International Preparatory Committee for the 11th festival, the UNESCO director general expressed satisfaction for being in Cuba and having had the opportunity to visit the headquarters of the commission. After outlining UNESCO activities, the director general of this organization asserted that one of its principal tasks is the struggle for peace and for contributing to a new economic order in the world. He emphasized that UNESCO is interested in the combination of work with study because this system helps to raise the quality of education. Lastly, UNESCO Director General Amadou Mahtar M'bow asserted that UNESCO will contribute to the festival and that it will try to make this cooperation as active as possible.

Meets With Castro

FL071641Y Havana Domestic Service in Spanish 1100 GMT 7 Jan 78 FL

[Excerpt] Commander in Chief Fidel Castro, president of the Council of State and Council of Ministers, has received UNESCO Director General Amadou Mahtar M'bow. During the meeting, they discussed matters concerned with the development of education in Cuba. The possibility of expanding cooperation between Cuba and UNESCO also was examined and they discussed the work-study system and scientific research.

Armando Hart Davalos, member of the PCC Politburo and minister of culture, also has met with the UNESCO delegation headed by Amadou Mahtar M'bow.

Meets With Hart, Others

FL070020Y Havana Domestic Service in Spanish 0000 GMT 7 Jan 78 FL

[Excerpts] Armando Hart Davalos, member of the PCC Politburo and minister of culture, today met with UNESCO Director General Amadou M'bow who has arrived in Havana for a 2-day visit. M'bow is in our country at the invitation of the revolutionary government on the occasion of the 250th founding anniversary of Havana University.

On his arrival in Cuba, Amadou M'bow was received at the air terminal by Council of Ministers Vice President Belarmino Castilla Mas and Higher Education Minister Fernando Vecino Alegret, both members of the PCC Central Committee; and Cuban officials assigned to UNESCO.

In the talks this afternoon between Minister Hart and UNESCO Director General Amadou M'bow, they exchanged viewpoints on the meaning of the term "cultural identity." They also discussed the existing relations between Cuban cultural organizations and UNESCO. The importance of the conference on Latin American and Caribbean cultural policy, to be held in Bogota from 10 to 20 January, also was highlighted.

Amadou M'bow this morning held talks with Higher Education Minister Fernando Vecino Alegret. His schedule of activities includes meetings with Education Minister Jose R. Fernandez and State Committee for Science and Technology President Zoilo Marinello.

PCC-GOVERNMENT DELEGATION LEAVES FOR BENIN

FL062308Y Havana Domestic Service in Spanish 2230 GMT 6 Jan 78 FL

[Text] A Cuban party and government delegation yesterday left for Benin to participate in the conference of solidarity with combatant peoples that will be held on 9 and 10 January in Cotonou, capital of that African country. Armando Acosta, member of the PCC Central Committee and president of the Cuban-African Friendship Association, heads the delegation which includes Alberto Velasco, chief of the Africa and Middle East Department in the Foreign Relations Ministry; and Central Committee official [name indistinct].

ENVOY GIVES RECEPTION IN MOSCOW

FL062205Y Havana Domestic Service in Spanish 1936 GMT 6 Jan 78 FL

[Text] Cuban Ambassador to the USSR Severo Aguirre del Cristo, member of the PCC Central Committee and of the Council of State, this afternoon gave a reception on the occasion of the 19th anniversary of the Cuban revolution.

Many officials went to the Cuban mission in Moscow to commemorate the anniversary. Those who attended the reception included Vasiliy Kuznetsov, first deputy chairman of the USSR Supreme Soviet and candidate member of the CPSU Politburo; Yakov Ryabov, secretary of the CPSU Central Committee; and Nazar Matchanov, deputy chairman of the USSR Supreme Soviet.

Adm Sergey Gorshkov, commander of the Soviet fleet and deputy defense minister, also attended the reception. He visited Cuba recently.

CASTRO CONGRATULATES CEMENT WORKERS

FL071742Y Havana Domestic Service in Spanish 1100 GMT 7 Jan 78 FL

[Text] Commander in Chief Fidel Castro, president of the Council of State and Council of Ministers, has sent letters of congratulations to the workers of the Jose Merceron Cement Factory in Santiago de Cuba and Siguaney Cement Factory in Sancti Spiritus.

In the letter to the Merceron factory workers, Fidel describes as a noteworthy work success the fact that the factory last year took maximum advantage of its designed capacity and provided to the country 600,000 tons of cement. In the letter to the Siguaney factory workers, the commander in chief expressed congratulations for the correct exploitation of the factory which made it possible last year to exceed the production plan by 30,000 metric tons.

In both letters Fidel wishes the workers successes and urges them to continue on their path.

GRENADA

MINISTER OF STATE KILLED BY UNIDENTIFIED PERSONS

FL061612Y Havana Domestic Service in Spanish 1526 GMT 6 Jan 78 FL

[Text] One of the ministers of state of the State of Grenada headed by Eric Gairy was killed by unidentified persons. Police report there are two suspects in custody. According to first reports received from St George, capital of Grenada, the murdered official was the minister of state in the Ministry of Agriculture, Inocent Belmar, who has been known to do work for the police.

The report points out that Belmar, who had previously held the post of parliamentary secretary of the prime minister, was in a restaurant located near (Grenadine) when an individual approached him and fired on him. Witnesses of the incident told police that Belmar, who was critically wounded, pursued his attackers but fell unconscious, dying hours later at a St George hospital.

BARBADOS

CONFISCATED AMMUNITION TO BE RETURNED TO GUATEMALA

PA071847Y Guatemala City Radio Fabulosa Network in Spanish 1720 GMT 7 Jan 78 PA

[SERCANO Network]

[Text] Barbadian courts have issued a decision favorable to the return of ammunition to Guatemala. Through efforts carried out by the Guatemalan Government through the National Defense Ministry before the Barbadian Government, the courts of that country yesterday issued a decision favoring the return to its legitimate owners of the ammunition which was being held in Barbados.

With this decision, the representatives of the commission sent by our government, headed by Col Manuel Giron Sanchez, a pilot and adviser of the Defense Ministry, obtained a verdict indicating that the rash action of Barbadian customs authorities was an abuse of power and not in keeping with international law.

With this action, the Barbadian Government shows its good faith toward the resolution of this problem, according to the Guatemalan Government.

JAMAICA

MANLEY ANNOUNCES CABINET CHANGES

FL090005Y Kingston DAILY GLEANER in English 6 Jan 78 pp 1, 11 FL

[Excerpt] A cabinet reshuffle resulting from the resignation of the minister of parliamentary affairs, the Hon. Dr. Kenneth McNeill, was announced by Prime Minister the Hon. Michael Manley last night.

The consequential changes make the Hon. Keble Munn the new minister of parliamentary affairs with continued responsibility for electoral matters.

Senator the Hon. Dudley Thompson will be the new minister of national security, taking over the portfolio which had been held by Mr. Munn.

Mr. Thompson's former Ministry of Mining will be overseen for the time being by the minister of public utilities, the Hon. Horace Clarke.

The other changes involve the creation of a new parliamentary secretary, the 16th in the administration, Mr Keith Rhodd, the MP for Eastern Portland who will be attached to the Ministry of Youth and Sports.

Senator Sefton Johnson, who was parliamentary secretary in the Ministry of Youth and Sports, has been transferred to the office of the prime minister and will be attached to the accelerated land reform unit.

Dr McNeill, who will retain his parliamentary seat, resigned "as a result of an increasing health problem caused by prolonged physical disability which made it extremely difficult for (him) to cope with the accumulated pressures of constituency duties, party responsibilities and the workload of a cabinet minister," the official announcement said.

He will continue to carry out his full duties as MP and as a member of the National Executive Council of the PMP.

In announcing the changes the prime minister expressed appreciation for the services of Dr McNeill as minister of health and as the first minister of parliamentary affairs.

He also paid "special tribute to the tremendous responsibilities which had been borne and the contribution made by the Hon Keble Munn as minister of national security during his period as minister."

Mr Munn had been the subject of increasing criticism in recent months for his performance as minister of national security.

DETAILS OF CLASH WITH GUNMEN REPORTED

FL090010Y Kingston DAILY GLEANER in English 6 Jan 78 pp 1,11 FL

[Text] Five of 14 men conducting target practice at the military firing range at Green Bay, south of the Port Henderson Hills, St Catherine, were shot and killed by a security forces ambush party near noon yesterday.

One has been identified as Winston Hamilton, 23-year-old contractor of Highholborn Street, Kingston and three have been tentatively identified only as "Guto," "Cargo" and "Gold Eye," all of Barry Street addresses in Kingston. The fifth has not been identified. Some of the men were wearing "dreadlocks."

All five bodies have been taken to the public morgue at the Spanish Town Hospital.

It is not yet known if the police have recovered any of the guns the men had from scrub bush terrain of the firing range.

Meanwhile, in a massive manhunt involving helicopters and police tracker dogs, scores of soldiers and policemen were at press time last night scouring the hills for the nine men. It is believed that some of the men who escaped were shot in an exchange with the security forces.

Reports from the police information centre are that about 14 suspicious-looking men in civilian dress were seen going into the hills toward the Jamaica Defence Force base and firing range at Green Bay in the Port Henderson Hills, about 14 miles from Kingston, across the Hunt's Bay causeway.

The security forces mounted a police-military ambush in the areas and later surprised the 14 men who were conducting target practice on the military firing range.

Challenged by the security forces personnel, the men turned their fire on them and during the exchange of gunfire that ensued, five of the men were killed on the spot.

During the shootout the other nine men scattered and escaped into the rugged terrain of the Port Henderson Hills. It is believed that some of them were shot during the exchange. There were no reported casualties among the security forces personnel.

Crack police and sharp-shooting military reinforcements were called in and the search for the nine men was stepped up. Helicopters and police tracker dogs were being used in the search and roadblocks were set up on the roads leading to Portmore, Hellshire, Naggo Head, and Port Henderson in an effort to seal escape routes from the area. No civilian was allowed to enter the area and newsmen who tried to get near to where the shooting took place were turned back.

Soldiers coming out of the hills at dusk had a green pair of trousers which they said they found during the search for the fugitives. They said the pants could have been abandoned by a fugitive wearing more than one pair of trousers.

IADB LOAN TO BOOST FARM OUTPUT

FL061535Y Kingston DAILY GLEANER in English 4 Jan 78 p 1 FL

[Text] Bridgetown, Barbados, 3 Jan (CANA)--Jamaica plans to bring an additional 8,645 acres of land into agricultural production with the latest loan for (US) $12.5 million--announced by the Inter-American Development Bank (IADB).

The money, approved last month, will be going into a drainage and irrigation project to boost food production and ultimately help to shore-up the country's balance-of-payments position, according to an (IADB) release here.

The Jamaica Government is expected to contribute the remaining six million for the $18.5 million project.

The IADB loan will be used by the Black River Upper Morass Development Company (BRUMDEC) to bring the 8,645 acres of land in south eastern Jamaica into production.

The three-year project is expected to create employment for some 700 low-income families, raise the income of small-scale farmers and demonstrate how farm production can be increased through irrigation and drainage measures, the release said.

The IADB loan, out of the bank's fund for special operations, is being extended over a period of 35 years at two percent interest.

The loan is to be repaid in 54 semi-annual instalments, the first due eight-and-a-half years after the date of the contract.

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